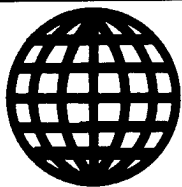


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# ***JPRS Report***

## **East Europe**

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# East Europe

JPRS-EER-90-162

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## BULGARIA

### Roundtable Discussion on Militia, State Security 91BA0052A Sofia TRUD in Bulgarian 5 Oct 90 p 3

[Roundtable discussion on 18 September 1990 in the NSZK [National Service for the Defense of the Constitution] building in Sofia, as recorded by Dimitor Statkov and Plamen Kamenov: "State Security or Security for the State; TRUD Visits the Forbidden Zone"]

[Text] Few are the people (even today) who can pass calmly by the building of the former State Security, located in the Khladilnika District of Sofia. After 10 November, a great many things were said about the activities inside that building. In practice, however, not one of those who had something to say spoke out. The probable reasons for this are serious.

The discussion, part of which we publish in this issue (the full minutes exceed 40 pages), is an effort to lift a corner of that curtain in the face of a recent taboo imposed on our press. Let us have no illusions: The only things that were mentioned were those that our ininterlocutors decided to tell us. Well, time is on our side!

Thus, let us introduce the hosts of the discussion: Major General Georgi Pilev, director of the National Service for the Defense of the Constitution; Colonel Ivan Vasilev, deputy director of the NSZK [National Service for the Defense of the Constitution]; Colonel Khristo Velichkov, director of the People's Militia; Colonel Yordan Ormankov, chief of the press center of the Ministry of Internal Affairs; and Colonel Tsvyatko Marinov, deputy chief of the Personnel Administration of the MVR [Ministry of Internal Affairs].

#### A Family Scandal?

**TRUD:** It is public knowledge that relations between State Security and the Militia have never been fraternal. The fact that no one was advertising this is a different matter....

**G. Pilev:** One cannot speak of poor reciprocal relations but of whether the work of the militiamen is properly rated and consistent with the work of the personnel of the former DS [State Security] (today the NSZK). My view has always been that there should be no disparities in labor categories (DS—I; NM [People's Militia]—II, as is the case currently). However, in this case, we are not discussing first- and second-category people and services, as some would prefer to interpret them. It was precisely this that caused a certain tension in relations between individual officials in the ministry. The fact, however, is that until recently both the DS and the NM had the same boss because, until 10 November, we were actually party organs and not organs of the state. This did not worry us; we thought that we were serving the country, and we equated these concepts. In the final account, all of us had to pass a test in Marxism-Leninism.... However, I must point out that some of the

questions you gave us in advance were formulated, 100 percent, not by you but by militia employees....

**TRUD:** Even if such is the case, what harm is being done? It is a question not only of the difference in categorizing but also of the supremacy of the DS over the militia, the current table of organization, after the disbanding of the DS, of the cadre personnel and the complaints department, the legal department, "communications," technical services, and rear lines.... It is even a question of the fact that Bulgaria does not have and has not had a militia general!

**Y. Ormankov:** Look now, the labor categories in the MVR will be equalized within the shortest possible time. That makes this question irrelevant.

**TRUD:** That is what you think! Although no one could say precisely how this "equalizing" will take place, when (the expression "as soon as possible" does not mean anything in our society), and by what means.... Actually, you have already expressed the view that the questions have not been competently asked. You now have the opportunity to make your views clear.

**G. Pilev:** Once and for all it must be understood that we do not interfere in the work of the NM! Our activities are strictly specific. Their purpose is to guarantee the safety of the country and the rights and freedoms of the citizens. Actually, I personally made the suggestion that all municipal administrations in the country be such only in terms of the NM, whereas the NSZK services should be put under regional administration. The purpose of this (I believe that we achieved it) was to enhance the self-esteem of the militiamen and relieve them of the feeling that they were under "the supervision of State Security." The question of whether there are forces interested in encouraging conflicts between the NSZK and the NM in order to make them more susceptible to political influence is a different matter....

**Y. Ormankov:** Until now, the generals were subject to the provisions of the Law on Universal Military Service. In other words, when a militia officer was promoted to general, he automatically passed into another category, that of the DS. Soon, however, we shall have a general of the militia!

**TRUD:** We have even heard his name, but we shall keep silent, not to cast a spell on him.

**Tsv. Marinov:** So far the MVR included three categories of personnel: militarized, in accordance with the Law on Universal Military Service, and those of equal status (ranging from advisers to the minister to some of the rear services); personnel according to the Law on the People's Militia and the Law on Fire Prevention; and temporary personnel, in accordance with all three laws. The most essential difference among these groups was that some (the militarized) could retire after 20 years of service, whereas the others could not retire before age 55. In the future, the principle will be to standardize, within acceptable limits, both salaries and categorizations. No

*full* uniformity can exist, however! Special services remain special services. In addition to everything else, the legislator should also think in terms of a Law on State Employees (which existed in Bulgaria in the past).

**TRUD:** Can you tell us now what is the size of the NSZK? The figure mentioned is 1,500 persons.... Generally speaking, what is the number of militarized personnel in the MVR?

**G. Pilev:** The number for the entire country is indeed 1,500. I cannot tell you the number of militarized MVR personnel because that is a state secret (DURZHAVEN VESTNIK, No 31, 1990)....

**TRUD:** Everything said so far indicates that there is no scandal within the "family." Or, in other words, you are all right, but you will nonetheless improve.

**The Hosts: .....**

#### **The Sweet Word "Depolitization"**

**TRUD:** Whereas the former DS was the "fist" of the former BCP [Bulgarian Communist Party], the militia was its tongs. Is an end being put to such an abnormal situation?

**Khr. Velichkov:** Yes, we believe that policemen (let us calmly use this name), at least during this present difficult stage, should not be members of a political party and engage in political activities.

**TRUD:** It is being said about you that you are strongly opposed to appointing to the police former members of the DS....

**Khr. Velichkov:** I respect professionalism, which means that a person must have covered from top to bottom all aspects of the profession. This is a matter of principle.

**G. Pilev:** I must categorically state that the NSZK always obeys the law. We do not allow political activities in favor of any party whatsoever.

**TRUD:** Yet you are a member of the BSP [Bulgarian Socialist Party]. If we were to write that....

**G. Pilev:** Write it. I shall not return my party card for ethical considerations. However, I am a firm supporter of depolitization, as are all my colleagues. The moment the respective law has been passed, we shall act accordingly.

**TRUD:** All sorts of rumors are being heard about the former Sixth Administration of the DS....

**G. Pilev:** It was closed down. Furthermore, its activities, which were performed by some of its personnel, have stopped entirely! Actually, this is one of the reasons for the lack of complete information about some extremist manifestations because, with the closing down and the subsequent reduction of most of the personnel, the system of the struggle against phenomena such as extremism, for example, was disrupted. All that is left of

the Sixth Administration today are 129 persons—young, professional, unstained by "manifestations" previous to 10 November. The department dealing with terrorism has remained intact. Would you like us to terminate it entirely?! Something very important: Today no one could force these boys to do what one year ago was being done by the Sixth Administration. (The actions for which everyone attacked the DS were actually being committed by a single department within it!) It would be difficult to accuse all of "those" people because, in the final account, they were merely the executors....

**TRUD:** Will there be in our country sensational exposures of the former DS, similar to those that are now being made concerning the special service in the GDR—the Stasi?

**G. Pilev:** Categorically no. I am certain that this will not be the case!

**TRUD:** Well, such "things" have already become known even in the case of the impenetrable KGB....

**G. Pilev:** We are not responsible for that. That is the concern of the KGB....

**TRUD:** Is it that virtually no one in this country was unfamiliar with communist concentration camps? Is that possible?!

**G. Pilev:** In truth, I was informed of them only now, although I have worked for the MVR for 30 years. I did not know. There was no way of knowing. That is the truth.

**TRUD: .....**

#### **Understudies or Partners**

**Khr. Velichkov:** The police have their area of competence and the NSZK has its own. We are cooperating. I think nonetheless that, on the lower levels of the official hierarchy, this stipulation is not being observed because otherwise our personnel would not have raised this question....

**G. Pilev:** It is specific people who lose from such use of "understudies": drug traffickers, smugglers, and economic criminals. We have a reciprocal enrichment of activities carried out through different forces but for the same purpose: the preservation of law and order. If some differences exist in the activities of the NSZK and the operative services of the criminal and economic militia, they may be found in the target of such activities. In one case it is a question of actions aimed against national security and the constitutionally established governmental system; in the second, it deals with crimes that are not directly related to those areas.

**Iv. Vasilev:** We deal with cases of large-scale corruption. When a deal is concluded involving millions of leva, we closely study whether the foreign company represents the interests of some special services, if there is a threat that it may supply us with faulty equipment, bribe our

citizens, introduce spies.... However, if there are no indications of espionage—that is, if the matter proves to be purely speculative—we pass it on to the economic militia. We work together. I do not know why the question of being an understudy, of pitting one against the other, is even being raised.

**TRUD:** We listened to you closely, and do you know what impressed us the most? Your struggle against foreign companies... The reason is that a large number of "responsible comrades" have caused Bulgaria much bigger troubles.

**Iv. Vasilev:** Despite the difficulties, we have been able to expose a number of criminals belonging to the so-called nomenklatura and take them to court. The bad thing was that this was not made public....

**TRUD:** We are prepared to give it some publicity, although we realize that you will nonetheless take a selective approach....

**G. Pilev:** No, we shall give you everything we have!

**Y. Ormankov:** When we speak of understudies and partners, however, I must point out that a systematic study of the MVR budget would show that the range of militia activities is broader than that of the NSZK. The NM personnel are also much more numerous. Therefore, the NM receives much more funding (not only in wages but in logistical and all other support as well).

**TRUD:** We doubt that, to say the least, because the budget you mentioned is like a flying saucer: Everybody talks about it, but no one knows precisely what it is! Something else we do not know: What is the figure for the police as compared to those of the other services within the MVR?

**G. Pilev:** I do not know, either. All I know is that this year our budget was significantly reduced. As to material facilities, let it be known that we nonetheless have to use specific operative-technical facilities that are also used by the militia. Furthermore, the current severe scarcity is hitting us, as well....

#### **Who Is Warned by the Fire?**

**TRUD:** Let us mention the question of setting fire to the headquarters of the BSP, and let us jointly seek an answer to the question in this subtitle....

**Y. Ormankov:** The evaluation of the state investigation is the most reliable. Any rumor currently making the rounds is more or less inaccurate from the viewpoint of the Penal Procedure Code.

**TRUD:** All right, let us wait for the investigation. We could also word the question differently: Was it not the obligation of the NSZK to obtain advance information on the fire and to be the first to react?

**G. Pilev:** Categorically, yes! We are not avoiding responsibility. Society has the right to ask us that question. It

would not be accurate to say that we had no information that something related to the building would take place. There was information! I beg of you not to now ask why, if there was information, we failed to react, and does that mean that whatever happened was to someone's advantage, and so forth! We had no information that someone would set fire to the building. We had information that gave us grounds to increase security around the building and the surrounding buildings—those of the presidency and the Council of Ministers. Let us set aside everything else and consider exclusively what happened on the night of 25 August: Nine grids from the windows of the building were destroyed. Those were sufficient grounds to realize that other such actions could follow. There were also other signs: People were being urged to remove the signs from the building, and some youngsters were trying to climb up the wall.... I repeat, however: We had no information that the extremist actions that followed had been organized.

**TRUD:** Well, let us hear the view of the police.

**Khr. Velichkov:** Let me first say that the police will no longer react the way they did on the evening of 26 August, but that they will make full use of all legitimate means! That must be known by anyone who intends to engage in such "actions." He will be held responsible. We shall act uncompromisingly, the more so since all political forces condemned the extremist actions and supported our eventual efforts in defense of law and order. On that sinister night we lacked such support!

**TRUD:** Could it have been suitable for the "Red Berets" to interfere at that point?

**Khr. Velichkov:** There were no legal grounds for this. Why? Because, above all, it was not a situation that gave reasons for the legal performance of such actions. Article 10 of the regulation on the application of the Law on the Militia stipulates that, in cases where physical force cannot prevail, auxiliary means may be used, such as sticks, handcuffs, or restraining belts. We, the police, also have such means. However, we had no legal grounds for their use....

**TRUD:** You were there that night. What were your firsthand impressions?

**Khr. Velichkov:** I classify the event into two stages. The first was that of the demonstration, which was neither permitted nor prohibited—one of the many such demonstrations that took place after 10 November. These were demonstrations that we protected in order to avoid any kind of clash. At that time we had no reason to apply force, nor could we control such a mass of people. The second stage was when vandalism began and when we had grounds to use physical force because those were no longer demonstrations but rather attacks that involved heavy material damage and threats to human life. Under those circumstances the law gives us the right even to use weapons. What would have happened in that case? I think that, had we used sticks and handguns, something might have happened that everyone would be regretting

today. Casualties would have been inevitable, and they would have been numerous! What would have happened to civil peace?

**Tsv. Marinov:** In my view, things go much deeper than that, but, unfortunately, no one is trying to identify them, and the journalists are no exception. I have been closely watching the development of events since 10 November, and let me tell you that what happened on the evening of 26 August was nothing other than one of the metastases of the so-called gentle revolution!

**TRUD:** Is that your personal opinion?

**Tsv. Marinov:** Yes. I do not speak for anyone else, and I assume the risk of saying this.

**G. Pilev:** What you have said so far does not apply at all to our service. Is that not so?

**Y. Ormankov:** As we provide different answers, we try, each of us from his own point of view, to reach a certain truth. Perhaps the most accurate answer would be a summation of the information provided so far by every one of us. However, as to the question of advance information, there is a certain dose of treachery that is not even concealed. Everything comes down to the efficient "development" of political forces in the country. We know that, as early as the national roundtable, it was stated that the special services are not dealing with political investigation within the parties. Consequently, we could not be familiar in advance with the intentions of the various parties, and even less so with the intentions of a given group within a party. I recall an event involving our former minister (today vice president) Atanas Semerdzhiev that took place precisely during that national roundtable. He publicly guaranteed that the organs of our ministry would not operate on the basis of political affiliation. At that time I stated that I disagreed with his views because he could provide only guarantees that pertained to the organs he was in charge of, those for which he was directly responsible. However, he could not at all provide any guarantees concerning an interparty investigation. As a hypothesis, to this day I hold the view that parties "work" among each other and, in all likelihood, have "trusted people" within other parties. It is thus that they obtain the information of interest to them. Nonetheless, this remains a hypothesis.

**TRUD:** If we understand you correctly, the NSZK should avoid intraparty intelligence?

**G. Pilev:** Not only "should" but, in general, we categorically reject it! It is rather a question of how to "intercept" signals and how to struggle against extremism. That is demanded by practical events.

**TRUD:** How will you do that if you are faced with many closed doors?

**G. Pilev:** It would be more accurate to say that there were closed doors in the past and that things have changed somewhat. I believe that our society and the political parties themselves, both on the left and the right, have

already matured somewhat, that we cannot go on as we did and that this is not the way to defend the Constitution. Today we are unable to say which party in Bulgaria is extremist. People with extremist views may be found on both the left and the right.... An answer to the question you are asking could be provided after the conclusion of the investigation. My view is that we have already reached the stage at which the head of state himself is convinced that we must struggle with extremism regardless of its origins.

**TRUD:** Knock on wood but, with such a situation, could we rely on the fact that the reaction of your service would be entirely different?

**G. Pilev:** The answer is a categorical yes. Currently our view is that the forces that we have assigned at present to the struggle against extremism are insufficient. That is why we shall strengthen these structures and, what is most important, we shall arm our people with the legal grounds to operate in such cases.

**Tsv. Marinov:** That is difficult without public support....

#### Who Supported Lieutenant Colonel Bonev?

**TRUD:** After the event of 26 October 1989, which took place in the little garden in front of Kristal, would matters have reached the point of Lieutenant Colonel Petur Bonev's suicide if the Law on the Militia included a requirement that a written order by the commander must be issued when such "actions" are undertaken? Was it an accident that recently it was precisely concerning this item of the draft law on the police that an unwillingness to discuss it appeared? Who was it that was unwilling? It was precisely the deputy directors of the police in the RDVR [Regional Directorate of Internal Affairs]!

**Khr. Velichkov:** To wait for a written order in order to carry out one's obligations? I think that in general the question should not be raised. We have written in the draft law that everyone must make his own decision and bear responsibility for his actions. There are cases in which this must be done by the superior commander. To go back to the arson of the party building, we should ask ourselves whether we needed a law, whether we needed facilities, or whether we needed political and social recognition. The case with Lt. Col. Bonev is more specific. At that time it so happened that the entire blame fell on him. After that we, of course, summoned him to the Collegium, where, in the final account, all charges against him were dismissed.

**TRUD:** One way or another, he committed suicide. The reason was that all the responsible individuals remained in hiding.

**Khr. Velichkov:** Unfortunately, that is true....

**TRUD:** Where is the guarantee, therefore, that that would not be repeated?

**Khr. Velichkov:** The respective official is responsible for the overall action. As far as specific activities are concerned, every official bears a responsibility. Such a "measure" is planned not alone but is organized on the basis of a precoordinated plan. In other words, there are witnesses....

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Naturally, this is not all that was said or recorded between 0900 and 1200 hours on 18 September 1990 in the NSZK building. Did we select what mattered most? A variety of opinions will be expressed on this matter, and that is perfectly all right....

### Religious Rights Leader Subev Interviewed

91BA0044A Sofia DEMOKRATSIYA in Bulgarian  
8 Oct 90 p 3

[Interview with Khristofor Subev, hieromonk, by Atanas Tsonkov; place and date not given: "Leaders of the Opposition at DEMOKRATSIYA. The Atheists' Prayer. Khristofor Subev, Hieromonk: 'We Do Not Want Either Political or Administrative Power. For Us, Spiritual Power Is Most Important.'"—first paragraph is DEMOKRATSIYA introduction]

[Text] The tens of thousands of vigils in the freezing weather of last winter and during the nights of the following spring became some of the most moving symbols of the sprouting democracy in Bulgaria. Their initiator and inspirational leader was hieromonk Khristofor Subev, who recently became deputy chairman of the SDS [Union of Democratic Forces] Coordination Council. Last month he visited Great Britain and Italy.

[Tsonkov] Why did you make those trips? Our readers are interested in the Bulgarian opposition's contacts with the world.

[Subev] I was invited to visit Great Britain by the Kestin [transliterated] College organization, which studies East European problems and defends religious rights in countries enslaved by communism. My invitation also came from Cardinal Hume, who is first hierarch of that country's Roman Catholics. The meeting took place at Amplefort Abbey in an enormous monastery. There were representatives of the Russian and the Ukrainian Uniate Churches, delegates from Hungary, Czechoslovakia, Germany.... We discussed several important issues: the condition of the church in the respective countries, the believers' participation in the democratization process and the fight against totalitarianism, and the future outlook for the church and Christianity in the world. I expressed my view that the church has the advantage when it does not remain neutral and when it has a defined social position.

[Tsonkov] But hasn't such position prompted criticism of you personally and of the church that it is becoming politicized?

[Subev] Yes, there are some who try to accuse the Spasenie [Salvation] Christian Union and the Committee for the Protection of Religious Rights, Freedom of Conscience, and Spiritual Values of some politization. That is not so, however. We have a relationship with *society*; we do participate in the fight against totalitarianism but not in the fight for power. That, however, does not stop the lampoonists of some "yellow" papers of persisting in calling me names like "deputy." I have not even been a candidate for deputy, nor has any other person from our organizations been a candidate for parliament.

[Tsonkov] Is it possible that you did not run because you had no chance of getting elected?

[Subev] We did have a chance, but we do not want political or administrative power. The most important thing for us is spiritual power. Political power does not attract us, with our preconceived notion about the kind of Grand National Assembly that contains so many atheists and Communists.

[Tsonkov] But wasn't this parliament elected by the free will of the people?

[Subev] Yes, some of our journalists and some foreign journalists are saying that. This interrelationship of forces within the VNS [Grand National Assembly] is not good for Bulgaria and is the result of strong manipulation of people with a more primitive way of thinking. It is not by chance that many of them are now unhappy that the Communists have not fulfilled their preelection promises. And we want to see our people get out of this crisis, to turn into a happy nation, aware of its dignity....

[Tsonkov] Don't you think the people are getting increasingly unhappy? Especially on the threshold of the hungry, cold, and dark winter that is coming?

[Subev] This is really a bad situation. The only solution is privatization and a market economy guaranteed by new laws.

[Tsonkov] Do you believe that such legislation can be passed by the present parliament?

[Subev] There are some forces that impede the way toward free enterprise, which could save Bulgaria. Pressured primarily by the prevailing social mood rather than out of concern for the people, many deputies will be forced to accept things contrary to their egoistical interests—the way things turned out with the presidential election. I am afraid that if in parliament there is a lack of concern for the pressing needs of the people, things could become uncontrollable....

[Tsonkov] Are you not afraid that some "peace lovers" will again accuse you of provocation and violence?

[Subev] When someone wants to make you look guilty, he will accuse you of everything his conscience allows him. I have always asked that the fight against totalitarianism be fought without violence. But let us not forget



that those who now accuse us of violence were in reality the biggest oppressors. The repressions that took place were something normal for the ruling party. Although its leaders have even appeared in God's temple holding lighted candles, I do not know just how sincere the prayers of those atheists are. Before as well as after the elections, they are not only chanting the slogan "We are here again," but are also proving that they are still the same. Do you believe that the same ones who made concentration camps legal in the past would now vote in parliament for a law against themselves?

[Tsonkov] They say that politics is a science of compromises. Aren't you at risk by being uncompromising?

[Subev] True, I do not want to compromise with either the ruling party or with the highest hierarchy of the church. I do not wish to be described as a politician at all—only as a Christian who has a relationship with society, who takes to heart the fate of the people and interferes in things to the point that it is necessary to do so. Would anyone accuse Saint Patriarch Evtimiy, Deacon Levski, or our clergymen, who, after the liberation, participated actively in the building of a new Bulgaria, of being politicians?

[Tsonkov] Let us go back to your trips. You returned from Italy only recently. What was the reason [for your visit]?

[Subev] I was invited to visit Italy by the Christian Democratic Party. Every year the Christian Democrats have a convention. Representatives of many countries were at this year's convention in Cagliari. I participated in the summit roundtable. Premier [as published] Forlani participated in it, and Julio Andreotti was there, and I had the pleasure of conversing with him. I met with Christian Democratic Party secretary Malfatti, whom I had met way back in January, when I visited the pope. He told me then that he lights three candles and prays for Bulgaria every day....

[Tsonkov] Was the issue with Antonov brought up during your audience with the pope?

[Subev] No, of course not. That is a very delicate topic, but, during this visit, I went to pay my respects at the grave of Saint Cyril, the philosopher. There I saw a sign that "immortalized" the name of Todor Zhivkov. I think that this sign must be removed from there.

[Tsonkov] If I were a journalist working for some government newspaper, I would have asked you who pays your travel expenses.

[Subev] I have not spent a single lev or a single dollar from our bank on any trip I have taken abroad so far. I do not think that it is embarrassing to have had my travels financed by a religious organization such as Kestin [transliterated] College. In Italy, my expenses were also paid by my hosts. In Milan I even spent the night in a private home; a Christian family gave me shelter....

[Tsonkov] That is probably a lot easier in Milan, but how do you manage in Sofia? Are you still without a place to live?

[Subev] Unfortunately, I am. I continue to spend my nights at the homes of friends' families....

[Tsonkov] Like Deacon Levski...

## CZECHOSLOVAKIA

### Country's Current Issues, Challenges Viewed

91CH0092A Bonn RHEINISCHER MERKUR/  
CHRIST UND WELT in German 19 Oct 90 p 40

[Article by Torsten Wilhelm Krauel, Prague: "The Hangover After the Revolution"]

[Text] Screaming, the mouth beaten to a pulp, the little boy walks along cobblestones past the shattered Plzen art nouveau facades. Passersby cast nasty looks toward the parking lot overgrown with brush: Of course, it was the gypsy children once again who beat him up.

Did they? That isn't known, but that is the mood in Plzen: Who else should have beaten the boy? Now, if he weren't so young and hadn't come straight from this parking lot—many could have done that, for example, the prisoners amnestied by the revolution. "We had no rehabilitation concept," Plzen's mayor admits. But in most cases the gypsies are suspected.

When the candles of the peaceful revolution went out, violence came to the fore. The mayor smiles sensitively. He actually ought to promote the city; he knows that. But in spring the Bronx was not located in New York, but here, next to the Skoda Works. The Plzn citizens no longer dared to go out into the streets. Amnestied criminals, punks against skinheads, skinheads against gypsies: A wave of violence descended upon the city and the clash between youth gangs and gypsies has especially intensified. Only 2,000 people including a large part of Plzn's 2,500 gypsies are still living in the decaying inner city. It was no isolated case when recently an 18-member Gypsy family occupied a new dwelling ready for occupancy and defended it against the police. Such occasions then serve as pretext for the youth gangs to brutally assault them. The mayor, a man of personal magnetism and steady temperament, leaves no doubt about the fact that he takes seriously the generally prevailing psychosis that in this area there is more concern with waylaying someone than with building things up.

In the spring the citizens of Prague were also afraid; therefore they avoided the subway stations at night, stations that were lit up as late as December by the warm light of thousands of candles. There, too, youth gangs attacked one another or, one could never know, also passersby. In the meantime the fights in Prague have ebbed again, but the aura and the absence of bias of a

revolution, which had its headquarters in the "Laterna Magica" theater, are gone. What is left is the bitter taste of a spoiled performance.

Theater, theater. Scaffolds surround the Tyl Theater, where Mozart's "Don Giovanni" had its first performance and where next year, on the occasion of the 200th anniversary of the composer's death, it is actually to be put on there again. The date could long be foreseen, but not the introduction of the market economy: In the enthusiasm of the first hour, the free city administration had left the arrangement of the program for the first year after the reopening up to the private organization responsible for the renovation. However, now there is a problem with completing the work because there is a problem with the market economy. But the contracts for the program read—without Mozart in the repertoire. At present it is uncertain whether "Don Giovanni" can still be performed at the place of its first performance.

So much has become uncertain in the CSFR, so many contracts are no longer being fulfilled. The strikes in the West Siberian Tyumen oil fields—representatives of the Prague economics ministry name names—have made the purchase contracts arranged with Moscow worthless. The new refinery in Bratislava cannot be put in operation. (Recently, Prague, without Moscow being involved, negotiated a new contract directly with the people responsible in Tyumen: The CSFR delivers consumer goods and, in return, receives at least part of the oil.) And German federal Laender when they were still called GDR, either changed all contracts to world market prices or cancelled them. This pertained to vacation spots as well as to the range of products of entire combines.

The Skoda Works in Plzen are an example of that. The mayor does not mention any figures, but his silence is meaningful. He still has hopes. Instead of Skoda's cars, the demand for Pilsener Urquell [beer] has exploded—only, when the brewery thereupon had additional deep wells drilled into the ground, what everybody suspected anyhow was confirmed: The water is polluted deep into the ground.

Prague's offices, be it government or elsewhere, hardly foreshadow the onset of the uncertainty. They adapt themselves, they get down to action. Deputy Premier Jozef Miklosko resides in the official residence of Lubomir Strougal, the premier who participated in the political "normalization" after the end of the 1968 Prague Spring and in the end tried in vain to normalize his relationship with the market economy.

Miklosko still has the old special telephones with the Czech state coat of arms instead of the dial. Also old is the fire-gilt coffee set (unused) underneath an impressive painting (Vaclav Rudimski, 1908). New is a simple Red Cross set (used). Brand new and partly still in the original wrapping are a hi-fi stereo TV set, including a video unit (apparently the status symbol of Czech administrative skill; wherever an office door is opened

during this trip organized by the Munich Hanns Seidel Foundation, be it in the Council of Ministers, the bishop's residence, or Christian Democratic Party headquarters, everywhere high-quality TV sets and video units seem to have just been delivered by the forwarding agents). Also new in Miklosko's office is a computer assembled in Taiwan that suddenly lets out a penetrating whistling sound. (The professor of computer science, who has command of German, does not bat an eye.)

The name Miklosko actually has become known in the CSFR more through Frantisek, the brother of the deputy premier, who is the president of the Slovak parliament in Bratislava. Jozef Miklosko, on the other hand, is a member of the coalition partner Christian Democratic Party, and as federal minister in the classicist quiet of his spacious office is involved in a multitude of topics—human rights, media, persons seeking political asylum, family policies, minorities, drugs, church questions, preparations to commemorate the 400th anniversary of the death of the great scholar Comenius. An active man of gentle and hard features, with mild dark eyes and a soft, clear voice. The political appeal of this man, too, is as clear as his voice although not immediately recognizable.

Miklosko always speaks of "Slovaks and the Czechs," and what alphabetically is the correct sequence in a republic which is called the "Czechoslovak" republic, must not necessarily be promising. Of course, the self-confidence of this Slovak, long involved in the church work, who answers every single day up to 60 letters of a personal nature (including shocking descriptions of situations of many handicapped persons whose situation was of as little concern to Husak as it was to Honecker), is considerable. But imperceptibly it becomes noticeable that there is a system behind this. That is the intention. Teacher shortage in Bratislava, handicapped problems, but also the surprising increase in the participation of an allegedly atheistic youth in pilgrimages. The phrase "in Slovakia" is heard in passing again and again. The thought could almost occur that only Slovakia has finally escaped from the Husak regime.

No, the relationship between the two national groups of the CSFR is not simple; it is strained. In Slovakia there is a broad trend toward more autonomy and there is even (also) a small separatist party which at its party congress in September is said to have almost dedicated itself to the earliest possible withdrawal from this CSFR. The Slovaks have not forgiven the Czechs for their dominance in the communist state and the Czechs have not forgiven the Slovaks their collaboration with Hitler. Havel's close friend, Deputy Foreign Minister Lubos Dobrowski, looks very pensive when he gets to talking about this topic in the Czerny Palace surrounded by antiques and oriental rugs. That really means something in the case of the energetic man in his midfifties with the brisk step.

In all of Eastern Europe, the bootied-out former journalist and cosigner of Charter 77 reflects, a "very

unpleasant process" is developing to which Poland's premier and presidential candidate Mazowiecki refers as "danger of balkanization." He says there is a creeping erosion; the "loss of meaning of this existence" within the given borders and dependencies threatens. (This idea can also be heard from young, thoughtful Hungarian parliamentarians, even expressed more gloomily.) "Europe's mercantilization" after 1992, Dobrowski concludes, must under no circumstances be opposed by a new nationalism but only by "strengthening the civic attitude."

Vaclav Havel also expresses himself similarly—whatever that may concretely mean for a Slovakia in which in a number of places monuments to Tiso are being unveiled. That was the prelate, Josef Tiso, who for the first time in history had founded a Slovak national state after Hitler marched into Prague.

Many Czechs have neither forgiven nor forgotten that their brother nation, the Slovaks, achieved their national ambitions in an alliance with Germany and looked on while their brother nation [the Czechs] had to obey Reinhard Heydrich in the Protectorate of Bohemia/Moravia. From the windows of the foreign ministry (what wouldn't Genscher give for such splendor!) Dobrowski views symbolically the fragility of this federal state when Havel's official car goes by below over the cobblestones on the way to the nearby Hradcany Castle. The car, silver grey and armored, comes from a Munich car manufacturer and on its front doors shows three gloriously colorful coats of arms: the one of the CSFR itself and, partially hidden by it, those of the constituent republics. The heraldic ensemble looks elegant but nevertheless it looks as if it is about to fall apart.

Because of these resentments the German rebirth has a delicate psychological aspect for Prague. The unity itself is welcomed, the consequences which Germany's economic power will have—on that aspect, the opinions differ. Dobrowski makes it absolutely clear that the return of privatized real estate to Sudeten Germans is not (yet) a topic of discussion for him, but it is assumed that Havel seeks the return of Sudeten German capital to the CSFR. The mayor of Plzen has confidence in the prospects of a regional cooperation with Bavaria and in the economics ministry they are dreaming of an ambitious autobahn network linking Bavaria, Saxony, Austria, and the CSFR, among others. But, to this end, first of all 111 armament enterprises must be converted to civilian production (13 of them will be closed) and, to do so, Prague needs at long last the Privatization and Investment Law.

But Prague is afraid of the fear of the "sellout"; therefore the new stocks, for the time being only of the small enterprises, are to be sold, to start with, to Czech citizens exclusively. Thus, while no significant amount of capital will come into the country, the black money of the mafiosa structures, which are assumed to be everywhere in the country, will be offered an opportunity to invest. These people see to it that fear of foreign capital is

aroused and they invent the wildest rumors. But it also was not very long before the Czech farmers in the Sudetenland posted guards at night against German returnees who allegedly were seeking to occupy their property in the dead of night. The Czechs cheated of their property are now afraid of being cheated of their revolution and that is being exploited.

In addition there is ignorance: At a candlelight dinner it takes quite a while for the young interpreter, in the meantime she is a proprietor of a thriving restaurant in the old city, to understand that foreign owners must pay taxes to the state and that only the remaining profit is available to them. The slogan of "profit transfer" is deep seated and the amazement over the fact that it makes no difference whether or not Opel belongs to General Motors as long as only jobs for Germans are created, is lasting.

The fear of having gone too far came over the Czechs and Slovaks. Gray disillusionment? The spiritual expression of Frantisek (Prince of) Lobkowicz, shows unconcealed irritation over the long way back to human harmony, to inner peace: "The outward condition of Czechoslovakia is also an expression of its moral condition."

The 42-year-old suffragan bishop resides in the archiepiscopal palace right next to Havel's official residence. This building has already been returned by the state to the church. For 40 years the editors of PROBLEMS OF PEACE AND SOCIALISM pondered these problems there. The premises breathe the spirit of change: leather-bound rows of books are lined up on temporary shelves, telephones ring somewhere between crates and antique furniture.

The bishop excuses himself gently for the inconveniences, and cautiously the Church starts to rebuild its structures: In Prague, for example, a start is being made to reorganize into a denominational school a former foreign language elite school in the former Ursuline cloister. That is not simple from a psychological aspect, the bishop hesitates to add, as if he was just waking up from a dream.

Only few things still seem to be simple. The wave of violence, German unity, and now also starting in January, the government's savings policy. Nobody knows how to keep his head above the water once the price controls are lifted and the wages are frozen starting in January.

Bishop Lobkowicz is a man of absent-minded looking modesty whose youthful and melancholically bright eyes behind the gold-rimmed glasses betray an imposing measure of human insight; and in a low voice he compares, in charming Bohemian German, the present situation with the exodus of the Children of Israel from Egypt: "They were free but they complained about the barrenness in the desert."

The Czechs and Slovaks did not leave their country, but their road to themselves is still a long one.

## HUNGARY

### MSZP Official on Possible Cooperation With SZDSZ

91CH0151E Budapest MAGYAR HIRLAP  
in Hungarian 5 Nov 90 p 5

[Interview with Hungarian Socialist Party [MSZP] presidium member Jozsef Geczi by Andras Gyorgy Lengyel; place and date not given: "MSZP-Alliance of Free Democrats [SZDSZ] Cooperation? Three Socialist Trends"—first paragraph is MAGYAR HIRLAP introduction]

[Text] "Once the MSZP [Hungarian Socialist Party] has a defined program, we cannot rule out the possibility of cooperation between an MSZP and the SZDSZ [Alliance of Free Democrats], because according to MSZP Presidium member Jozsef Geczi, the arch conservative structures are crumbling with virtually nothing in the path of their destruction." We interviewed the newly appointed professor at the Szeged University of Sciences, a founding member of the first reform circle, on the occasion of the second MSZP congress to take place between 9 and 11 November at Siofok.

[Lengyel] How do you view the activities of the MSZP since the first round of the congress last May?

[Geczi] I recognize that we suffered substantially as a result of the past, and by combining the responsibility held by the former Hungarian Socialist Workers Party [MSZMP], they wanted to lock up the socialists in a kind of political ghetto. Fortunately, in recent weeks the SZDSZ discontinued its attempts to do so, and instead of a ghetto, they now want to herd us toward a reservation. Until most recently, the parties of the ruling coalition conducted an extended election campaign against us. Yet we did not collapse. We have almost 40,000 members. Our parliamentary faction is becoming increasingly effective, and a majority of our local organizations adapted themselves to the new situation.

#### With a Credible Program

[Lengyel] Forgive me, but the local election results support your optimism only in part.

[Geczi] Many of our representatives became part of local representative bodies in the countryside. This is true primarily in the northeastern part of Hungary, and in some Transdanubian counties. On the other hand, in Budapest and in other large cities, a large number of leftist individuals voted for the SZDSZ. Indeed, these people envision the SZDSZ as being able to harness the aggressiveness of the right wing course. This indication should caution us. The MSZP must establish an irrevocable profile and the congress must provide a credible program.

[Lengyel] What trends, or schools of political thought, may emerge forcefully in Siofok?

[Geczi] Most certainly, the three important trends will be firmly articulated. Thus, under no circumstance could the MSZP distance itself from the advocates of the wing represented primarily by Tamas Krausz and Gyorgy Wiener. Their activities are not only antiliberal, but also anti-Stalinist! It is likely that a great role will be assigned by the congress to the trend which does not advocate a merger with the SZDSZ, but is receptive to liberal ideals. For example, Ivan Vitanyi and Attila Agh are of this persuasion. This trend is popular mostly in the countryside. The third important factor will be the appearance of the nationalist left. By all means, I must identify Ferenc Kosa, Jozsef Annus and Csaba Vass from among its definitive personalities. Yet certainly our "greens," and those who orientate themselves toward Christian values will also play a role.

#### The Second Opportunity

[Geczi] Social democratic ideology exerts an influence, or determines more or less the ideals of all the groups I mentioned before. Personally, however, I have difficulty in perceiving the achievement of serious results by applying pure West European, social democratic methods in today's East-Central Europe. Advocates of every trend must play a role in order to bring an end to the "pluralistic camarilla politics" of this country, and in order to help the MSZP become a party having the character of a real movement. It must become a party which endeavors to provide a program for the development of a civil society based on the broad masses, rather than on a narrow elite.

[Lengyel] The SZDSZ leaders convey a sense of not ruling out cooperation with a European type socialist party. They do so with increasing frequency and firmness. Can you expect to formulate a position in this regard at the MSZP congress?

[Geczi] Let's not beat around the bush. The SZDSZ holds no small responsibility for this country having shifted to the right in the political sense of that term. On the other hand, the truth is that they have recognized this fact. Left undecided is the question of whether or not they want to take our place as a social democratic party, or if they intend to pursue politics with us, based on left wing liberal ideals. The former solution would cause the MSZP to expire permanently, and we reject this solution for that reason alone. But the second possibility cannot be ruled out by far. Quite naturally, if the socialists only develop a more pronounced political profile, and if there can be no doubt about the socialists' strength and impact on the masses, under no circumstance could we perceive a solution in which the SZDSZ forms an alliance only with the followers of one trend within the socialist party. We do not perceive ourselves as the exclusive beholders of leftwing ideas, and we don't expect to be perceived that way by others. This is the alpha of cooperation.

#### An Endeavor To Achieve Consensus

[Lengyel] In the event that the SZDSZ and the MSZP agree to cooperate, what could be the fate of Imre

Pozsgay, whose populist-nationalist conduct, according to some SZDSZ leaders, helped the Hungarian Democratic Forum [MDF].

[Geczi] I am unable to agree with this view for several reasons. Partly because it was precisely the SZDSZ' earlier, fighting antisocialist conduct that caused the MDF to shift strongly to the right, and partly because in those days, Pozsgay was not rocking the cradle of a rightwing MDF. He served as a midwife at the birth of a centrist party which proclaimed tolerance with respect of other values. Incidentally, there continue to exist strong forces within the MDF which endeavor to achieve a consensus with the liberals and with the left. Quite naturally, the MSZP does not reject this endeavor.

### **FKgP Representative Omolnar on Land Concept, Peaceful Revolution, Radicals**

*91CH0151A Budapest MAGYAR NEMZET  
in Hungarian 6 Nov 90 p 5*

[Interview with Smallholders Party Representative Miklos Omolnar by Istvan Boros; place and date not given: "The End of the Peaceful Revolution? New Compromise: 1989"—first four paragraphs are MAGYAR NEMZET introduction]

[Text] It is no exaggeration to say that the Smallholders Party [FKgP] stands or falls on the adoption of its land privatization concept. In all likelihood however, this plan of theirs is the most contradictory concept in Hungary. Even in the course of the 1989 political conciliatory talks this issue was not viewed uniformly by the opposition of those days. The Alliance of Free Democrats [SZDSZ] rejected the idea from the start, while the Hungarian Democratic Forum [MDF] manifested a dilatory conduct regarding the proposal.

### **Ownership Rights Do Not Expire**

The land issue became a sensitive point within the coalition when the Smallholders became a factor in governance. Mutually conflicting proposals and statements emerged within the power structure. The fact that the Smallholders Party will slowly disintegrate in this struggle became increasingly apparent. Meanwhile, in order to avoid a government crisis the cabinet, the prime minister transferred responsibility for this issue to the Constitutional Court, and asked that Court to decide. The opinion rendered by the Constitutional Court was unfavorable from the Smallholders' standpoint.

This was a clever tactical move, but it forced the FKGp representatives to use some strong words in commenting on the domestic political situation!

FKgP Representative Miklos Omolnar announced that "the peaceful revolution has come to an end!"

We asked Representative Omolnar to explain how this statement should be interpreted:

[Omolnar] Before I give you an explanation I must make a few remarks concerning the land issue. We found the 1947 land conditions acceptable because by 1947 the largest estates had ceased to exist. When compared to the maximum land property of 116 hectares [286.52 acres] in those days, the upper limit of today's land property subject to reprivatization would be 100 hectares [247 acres]. But in addition to setting upper limits, the value of such land should also be determined by considering the price of wheat, the gold crown value of the land, etc. Quite naturally, paralleling such assessment, land claims should also be considered, and a deadline by which former owners lose the rights to reclaim the land should be established. In other words, persons failing to file a claim by this deadline should not have their land returned.

[Boros] News reports thus far indicate primarily that passions dominate in respect to the privatization of land, or that arguments are not presented on identical levels.

[Omolnar] Many people confuse political, legal, and economic interests. Political interests present arguments relative to the return of the land based on current political programs that respond to current political needs. Some legal arguments hold that the past cannot be evaluated from a legal standpoint, while others, using a different vantage point claim that ownership rights do not become obsolete, and that loss of ownership may be remedied only by way of indemnification. Insofar as economic arguments are concerned, privatization should be accomplished fast, thereby increasing state revenues and reducing the state budgetary deficit.

[Boros] While recognizing the rationale for some of this reasoning, many groups are of the opinion that a one-sided approach to the return of conditions of 43 years ago is impossible. To put it bluntly, one cannot turn back the hands of time?

[Omolnar] All we have in mind here is the fact that the land redemption rules which reflect and consider the 1947 conditions were in force up until 1 March 1990. Thus the 1947 conditions remain determinant to this day. Land redemption rules have been provided for members of producer cooperatives wanting to leave those cooperatives. Based on currently enforced legal provisions, a person could lose his property if, for example, he left a producer cooperative on 28 February because the producer cooperative went bankrupt or for some other reason; but if that person was forced to quit a producer cooperative on 2 March, the ownership and inheritance rights to his property no longer depended on the fate of the producer cooperative. Incidentally, as of 1967, ownership records of 76 percent of the land reflect 1947 conditions, and the name of the owner is indicated in land records. Today the ratio is 34 percent.

### **Sanctioning the Soft Dictatorship**

[Boros] The question of course is this: What is the situation, and what should be done with the "property" of the remaining 66 percent?

[Omolnar] As I mentioned earlier, original ownership rights would be restored only if these people file claims. In other words, these rights would not be restored automatically, and the filing of such claims would ultimately become more difficult as a result of the fact that land would be returned only to persons who commit themselves to cultivate the land. In short, they either cultivate the land themselves, or they see to it that the land is cultivated, based on the principle of free disposition over property.

[Boros] With the present contradictory situation, the government program concepts concerning privatization are not sufficiently clarified.

[Omolnar] They are vague! So much so that the ruling parties erased from the legislative proposal the concept of the former owner. I am sorry to say that the effect of this is that former owners are unable to enjoy even the least advantages in the course of subsequent privatization. Ownership will not be traced from this point on, and former owners will not enjoy any benefits, even in the course of an auction in which they submit bids.

[Boros] However, this is where you stand. At this point, I would like you to explain what you meant when you said that "the peaceful revolution has come to an end."

[Omolnar] It is my understanding that a peaceful revolution means that as a result of a change in systems, the proprietary system would also be changed by legal means. This is the ultimate goal of all revolutions, regardless of whether they are peaceful or whether they are won as a result of using force. In contrast, however, in the aftermath of the Constitutional Court decision, we find ourselves in a situation in which the court sanctioned the proprietary conditions of the earlier dictatorship, i.e., the court upheld forced nationalization and collectivization. I must say that as a result of legal arguments we find ourselves at a dead end! Further, unfortunately, the Hungarian reprivatization process contains discriminatory elements. Why could we not reprivatize part of the small property as long as part of the church property is returned or the Hungarian state continues to make payments for foreign assets nationalized a long time ago? It is primarily due to diplomatic reasons. The fact that automatic reprivatization cannot be accomplished fully is entirely clear to us. At the same time however, this matter cannot be swept under the rug. Insofar as my statement is concerned, I believe that no peaceful revolution ever took place in Hungary. I am somewhat sad to say that the events that took place only amounted to the metamorphosis of the Kadar dictatorship into a civil democracy. These changes were accomplished around a negotiating table. The fact that the members of the old regime engineer the legal provisions of the current system so as to accommodate the proprietary conditions of the Kadar system flows from this situation. Accordingly, no revolution of any kind took place because the present system evolved as a result of a series of compromises. The local election results show what this is accompanied by, and what it means. In other

words, today the so-called communist bourgeoisie continues undisturbed to exercise power, except for the fact that it does so in the framework of a new society and of new legal provisions. According to many this was the price paid for the peaceful revolution!

### Radical Demagogues

[Boros] One frequently hears charges being leveled against your party and against your party's concept. These charges hold that you actually intend to disintegrate the producer cooperatives.

[Omolnar] That's out of question. It would be foolish to say that nowhere in this country has there ever been successful cooperative property, except for the fact that a forced cooperative is not really a cooperative. Such formations are kolhoz establishments, irrespective of their possible economic achievements. We do not want to disintegrate cooperatives. We would like to clarify the proprietary conditions within cooperatives. In other words, we do not want cooperative members to be wage earners, rather we want them to exercise their ownership rights.

[Boros] Even in regard to these pivotal issues, the FKgP's utterances were not distinct for many months. These statements suggested confusion and internal skirmishes based on power considerations.

[Omolnar] Unfortunately, I must agree with you. At the same time, however, I perceive only one solution which could clarify the various points of view and the situation.

[Boros] And what is that solution?

[Omolnar] The radical demagogues who cause this party to be called an extreme rightwing party, and who hinder the political solution precisely with their demagoguery, should simply leave the party. They should leave because these radical demagogues make their voices heard without having real expertise as to the background of matters, and without knowledge of any legal solution. They are unaware of accurate analyses. As a result of these regrettable effects, a significant part of the FKgP representatives voted to approve the privatization law. From a legal standpoint, this law is the opposite of the Smallholders concept, in fact, it negates that concept. I must stress, however, that this vote was cast as a result of being misled for lack of information. This party must find its way back to its centrist, populist character. We should not permit this party to become an extreme rightwing party like Le Pen's.

[Boros] Since you made that statement, it is impossible not to discuss the person of Jozsef Torgyan.

[Omolnar] Torgyan's personality left a deep imprint on the FKgP. I would say that a populist tribune like Torgyan is also needed, since he is not just an insignificant figure in the life of the party, but that is not at all the case! At the same time we find that he is being attacked in an unusually sharp tone of voice at the local level,

primarily in Debrecen. These attacks of course, also constitute a value judgment over Torgyan.

[Boros] The criticism is clear! Can we expect that Torgyan will play a background role, and that he will lose his post as the parliamentary faction leader?

[Omolnar] This remains to be seen. It all depends on Torgyan's capability and willingness to change his political style and role. With the exception of the FKgP, all parties benefited from the activities of the radical demagogues. Torgyan should be aware of this. The result of all this is that the FKgP may be taken less seriously because of the loud speeches which lacked a basis in principle. Thus, on the one hand, the FKgP is an easily manageable coalition partner, while on the other hand, it may be regarded as a political force which renders the entire cabinet ridiculous. By all means, I believe that all of this must come to an end, and that this chapter of the past must be concluded.

#### **Budapest Mayoral Election Process, Prospects Described**

*91CH0151D Budapest MAGYAR HIRLAP  
in Hungarian 27 Oct 90 p 4*

[Interview with Capital City Council Executive Committee secretary Peter Szegvari by D. Kiss; place and date not given: "Mayoral Elections in Budapest on Wednesday: There May Be as Many as Six Deputies"—first paragraph is MAGYAR HIRLAP introduction]

[Text] As planned, the Capital City General Assembly will hold its organizing meeting on 31 October beginning at 1000 hours. The meeting will be held in the new City Hall building on Vaci Street. Peter Szegvari, the executive committee secretary of the Capital City Council, briefed our reporter on the preparations for this event. Szegvari will remain in office until a chief city clerk is appointed.

[Szegvari] By Monday, the organizing meetings of local representative bodies in every [Budapest administrative] district will be completed. As a result of these meetings, mayors and delegates to the General Assembly will be elected. It is possible that in some parts of the city, the final outcome of the election of [administrative district] mayors and delegates to the General Assembly will be delayed, this, however, will not impede the organization of the Capital City General Assembly, and the election of the mayor.

[Kiss] What are the official functions of the organizing meeting?

[Szegvari] The Capital City Election Committee will give final approval to the mandates of the 66 General Assembly representatives on Monday. They will be part of that body as a result of having been elected on party slates in the second round of elections. On Tuesday, the various parties will have to reconvene, and agree upon the final agenda to be followed. At this meeting, the oldest

member of the General Assembly will preside, and Jozsef Bielek, the chairman of the former Capital City Council, as well as I, will conduct the organizing meeting, as authorized by the managing body.

[Kiss] Who is the oldest member of the Capital City General Assembly?

[Szegvari] Dr. Miklos Horler, age 67. He was elected on the Hungarian Democratic Forum [MDF] slate of candidates.

[Kiss] The Alliance of Free Democrats [SZDSZ] and the Association of Young Democrats [FIDESZ] are the majority in the General Assembly. Based on an agreement reached between these two organizations, it is almost certain that Gabor Demszky will become mayor of Budapest. What is the situation concerning the nomination of deputy mayors?

[Szegvari] A decision must also be reached regarding this at the Tuesday meeting I mentioned already. They must first decide the number of deputy mayors. There were times before when Budapest had as many as six deputy council chairmen. At this time the SZDSZ and FIDESZ suggest that there be three deputy mayors, one each from among their own ranks, and one from the MDF. However, no agreement with the MDF exists in this regard.

[Kiss] Is there anything else to be settled?

[Szegvari] The organizing meeting of the General Assembly is legally obligated to elect a mayor and a financial control committee. It would be appropriate, however, for the General Assembly to make their decision on Wednesday concerning the announcement of a competitive examination for the post of chief city clerk, and regarding the establishment of a procedural committee. We made a recommendation to this effect to the representatives of the various parties. In addition, at its first meeting, the General Assembly should also render certain substantive decisions, such as in the case of homeless people.

#### **Legislative Committee Votes Not To Seek Advance Judicial Opinion**

*91CH0151C Budapest NEPSZABADSAG in Hungarian  
8 Nov 90 p 4*

[MTI [Hungarian Telegraph Agency] report: "They Said 'No' to Gyorgy Szabad"]

[Excerpt] [passage omitted] At its Wednesday session, the National Assembly Committee on the Constitution, Legislative Development, and the Judiciary decided by majority vote not to seek an opinion from the Constitutional Court, despite an initiative made to this effect by National Assembly President Gyorgy Szabad.

As reported earlier, relative to the nationwide protest against gasoline price increases, the president of the National Assembly announced at a plenary session of the House, that he would ask the Constitutional Court to



render an opinion as to the constitutional limits of civil disobedience. Following Szabad's announcement, a legal and political debate ensued as to the possible consequences of taking the step proposed by the president, and in general, as to the authority of Szabad, in his capacity as National Assembly president to seek judicial interpretations from the Constitutional Court.

In the framework of a similar debate in the Committee on the Constitution, the Alliance of Free Democrats [SZDSZ] Representative Peter Hack recalled the floor debate and expressed in the firmest possible tone his opposition to the idea that a committee of the National Assembly, and particularly the Committee on the Constitution, turn to the Constitutional Court with a question which, from a legal standpoint, made no sense, even if the Committee was asked to do so by Gyorgy Szabad, and even if the form in which the questions were to be asked was substantially changed. (Hack said this because

at this point, Szabad wanted to obtain Constitutional Court opinions regarding the legal interpretation of certain constitutional provisions.) The Association of Democratic Youth [FIDESZ] Representative Jozsef Szajer felt that Parliament was the only body capable of staying away from these ominous events, and that Parliament should continue to do so in the future. Hungarian Socialist Party [MSZP] Representative Zoltan Gal, expressed the view that considering that the present is a continuously changing situation of the Hungarian legal system, an opinion of this nature to be rendered by the Constitutional Court would restrict the scope of legislation for a long time to come.

#### Newspapers: Comparative Publishing, Subscription Data

91CH0124A Budapest HETI VILAGGAZDASAG  
in Hungarian 8 Sep 90 p 72

[Text]

Publishing and Subscription Data of Select Hungarian Newspapers

Publishing and Subscription Data of Select Hungarian Newspapers									
Name	Price	Number of Issues Published			Change Between Jan and Aug 1990 (in per- cent)	Number of Subscribers			Change Between Jan and Aug 1990 (in per- cent)
		Jan 1989	Jan 1990	Aug 1990		Jan 1989	Jan 1990	Aug 1990	
Daily Newspapers									
NEPSZABADSAG	6.50	476,591	374,159	337,050	- 10.0	352,543	284,996	253,811	- 11.0
NEPSZAVA	5.60	210,892	207,217	186,473	- 10.0	144,382	142,044	132,823	- 6.5
MAGYAR NEMZET	6.50	128,156	157,995	134,933	- 14.6	76,228	94,844	85,163	- 10.2
MAGYAR HIRLAP	6.50	100,301	95,688	90,289	- 6.6	46,863	53,132	51,893	- 2.3
NEMZETI NEPSPORT*	6.30	210,269	183,730	172,659	- 6.0	85,110	75,156	64,173	- 14.6
ESTI HIRLAP	4.70	163,561	99,783	67,818	- 32.0	2,332	1,878	2,184	+ 16.3
MAI NAP	8.50	Not pub- lished	81,040	83,798	+ 3.4	Not pub- lished	4,059	6,251	+ 54.0
REGGELI KURIR	9.10	Not pub- lished	Not pub- lished	56,670	—	Not pub- lished	Not pub- lished	542	—
ESTI KURIR	9.10	Not pub- lished	Not pub- lished	24,692	—	Not pub- lished	Not pub- lished	575	—
VILAGGAZDASAG	19.50	11,277	11,501	13,899	+ 20.8	11,214	11,416	12,684	+ 11.1
PESTI HIRLAP	8.80	Not pub- lished	Not pub- lished	19,293	—	Not pub- lished	Not pub- lished	1,307	—
BEKES MEGYEI NEPUJSAG	4.30	50,400	52,624	55,150	+ 4.8	42,976	44,436	47,143	+ 6.0
DELVILAG*	4.30	38,939	40,303	41,988	+ 4.2	35,806	37,345	38,731	+ 3.7
DELI HIRLAP	4.20	4,100	12,041	9,950	- 17.4	1,057	713	892	+ 25.1
DEL- MAGYARORSZAG	4.20	55,796	57,401	57,858	+ 1.4	48,261	50,136	50,425	+ 0.5
ESZAK- MAGYARORSZAG	4.20	77,500	78,208	82,323	+ 5.2	66,357	67,992	71,851	+ 5.6
FEJER MEGYEI HIRLAP	4.20	53,472	52,120	55,240	+ 6.0	42,805	43,351	44,820	+ 3.4



## Publishing and Subscription Data of Select Hungarian Newspapers (Continued)

Name	Price	Number of Issues Published			Change Between Jan and Aug 1990 (in percent)	Number of Subscribers			Change Between Jan and Aug 1990 (in percent)
		Jan 1989	Jan 1990	Aug 1990		Jan 1989	Jan 1990	Aug 1990	
HAJDU-BIHARI NAPLO	4.20	70,660	74,346	77,041	+ 3.6	61,231	63,391	65,072	+ 2.7
HEVES MEGYEI HIRLAP*	4.20	29,539	30,458	32,718	+ 7.4	25,237	24,121	26,725	+ 10.8
24 ORA*	4.20	45,737	44,033	48,019	+ 9.1	37,901	37,767	40,126	+ 6.2
KELET-MAGYARORSZAG	4.20	81,003	87,124	91,569	+ 5.1	72,298	78,786	82,867	+ 5.2
KISALFOLD	4.20	93,000	92,985	94,048	+ 1.1	79,710	79,505	80,313	+ 1.0
NAPLO	4.20	56,380	58,249	61,331	+ 5.2	47,372	45,904	47,687	+ 3.9
PEST MEGYEI HIRLAP	5.60	48,000	46,178	43,988	- 4.7	39,739	40,382	37,406	- 7.4
PETOFI NEPE	4.20	56,508	57,144	60,033	+ 5.1	44,308	44,112	46,444	+ 5.3
SOMOGYI HIRLAP*	4.20	55,600	57,164	61,425	+ 7.4	50,953	52,430	54,539	+ 4.0
TOLNAI NEPUJSAG*	4.20	27,880	31,903	33,935	+ 6.3	27,881	28,841	30,419	+ 5.5
UJ NEPLAP*	4.20	55,000	46,661	51,031	+ 9.3	44,424	43,209	44,214	+ 2.3
UJ NOGRAD*	4.20	21,306	21,867	23,179	+ 6.0	18,133	18,522	19,865	+ 7.3
VAS NEPE	4.20	66,275	71,272	68,953	- 3.6	58,979	59,614	60,468	+ 1.4
ZALAI HIRLAP	4.20	70,793	73,730	75,470	+ 2.4	72,614	67,932	68,957	+ 1.5
Weekly Newspapers and Periodicals									
AUTO EXTRA	89.00	Not published	57,744	39,078	- 32.4	Not published	No subscription	308	—
AUTO MAGAZIN	128.00	Not published	48,075	34,499	- 28.2	Not published	No subscription	87	—
AUTO-MOTOR	78.00	143,102	88,467	71,683	- 19.0	41,239	32,619	29,448	- 9.7
AUTOPIAC	88.00	Not published	53,715	37,298	- 30.6	Not published	938	486	- 48.2
BESZELO	18.50	Not published	18,652	18,794	- 0.7	Not published	39	2,050	+ 5,256.0
CSALADI LAP	18.00	737,141	580,951	262,674	- 54.8	76,639	64,441	52,662	- 18.3
ELET ES IRODALOM	13.50	57,216	47,881	36,234	- 24.3	43,531	29,570	23,881	- 19.2
ELET ES TUDOMANY	19.50	59,196	44,507	38,909	- 12.6	38,139	29,510	26,135	- 11.4
FIGYELO	19.50	31,259	26,748	24,978	- 6.6	26,200	21,745	22,204	+ 2.1
FILM SZINHAI MUZSIKA	19.50	50,111	21,367	16,210	- 24.1	15,163	9,306	7,852	- 15.6
FULES	9.50	436,249	369,099	354,959	- 3.8	125,670	107,099	101,884	- 4.9
HETI HIRHOZO	11.50	Not published	38,285	25,379	- 33.7	Not published	15,414	14,817	- 3.9
HETI VILAGGAZDASAG	14.50	161,828	130,492	122,413	- 6.2	90,901	75,978	75,104	- 1.2
7 LAP	29.00	Not published	Not published	21,688	—	Not published	Not published	No subscription	—
HIANY	29.00	Not published	8,029	4,876	- 39.3	Not published	75	115	+ 53.3

Publishing and Subscription Data of Select Hungarian Newspapers (Continued)

Name	Price	Number of Issues Published			Change Between Jan and Aug 1990 (in percent)	Number of Subscribers			Change Between Jan and Aug 1990 (in percent)
		Jan 1989	Jan 1990	Aug 1990		Jan 1989	Jan 1990	Aug 1990	
HITEL	39.00	59,000	32,032	18,216	- 43.1	12,111	18,891	4,327	- 77.1
HOCIPO	21.00	Not published	74,075	42,733	- 42.4	Not published	118	332	+ 181.3
INTERPRESS MAG-AZIN	79.00	127,982	94,894	75,707	- 23.5	22,860	17,366	14,789	- 14.8
KACSA	29.00	Not published	193,768	175,244	- 9.6	Not published	1,510	1,513	+ 0.2
KAPU	48.00	35,058	41,185	23,970	- 41.8	1,944	5,755	4,047	- 30.0
KEPES 7	58.00	52,207	39,401	31,810	- 19.3	21,215	15,042	11,061	- 26.5
KEPES SPORT	19.50	54,409	31,961	25,038	- 21.7	8,829	6,604	5,183	- 21.5
KEPES UJSAG	15.50	442,768	364,723	310,105	- 15.0	312,850	261,637	220,571	- 15.7
2000	29.00	Not published	9,723	8,158	- 16.1	Not published	121	898	+ 642.1
KIS UJSAG	13.50	Not published	26,681	17,444	- 34.6	Not published	2,921	4,195	+ 44.1
LUDAS MATYI	5.80	238,459	163,560	98,999	- 39.5	61,366	48,066	29,056	- 39.5
MAGYAR NOK LAPJA	13.50	777,591	536,506	433,218	- 19.3	522,967	371,866	299,809	- 19.3
MAGYARORSZAG	10.50	167,517	119,840	98,816	- 17.5	81,214	56,839	48,362	- 15.0
MAGYAR FORUM	9.60	Not published	15,104	Publication suspended	—	Not published	39	Publication suspended	—
MAGYAR NAPLO	18.50	Not published	13,626	5,764	- 57.7	Not published	139	819	+ 489.2
MAGYAR NARANCS	18.80	Not published	15,784	8,527	- 46.0	Not published	1	289	+ 2,899.0
MOZGO VILAG	38.00	15,290	13,202	10,584	- 19.9	6,176	4,761	3,998	- 16.0
ORSZAG VILAG	14.50	131,972	76,682	62,272	- 18.8	39,030	23,058	19,818	- 14.1
OTLET	18.00	19,285	15,822	11,473	- 27.5	12,932	8,862	7,789	- 12.1
PLAYBOY	198.00	Not published	75,934	46,013	- 39.5	Not published	No subscription	24	—
PRIVAT PROFIT	63.00	Not published	Not published	25,267	—	Not published	Not published	93	—
RAKETA REGENYUJSAG	19.50	132,141	103,022	73,481	- 28.7	46,246	36,497	28,657	- 21.5
RADIO ES TV UJSAG	9.00	1,183,091	1,156,052	1,013,203	- 12.4	667,214	642,938	569,042	- 11.5
REFORM	30.50	255,997	388,292	316,217	- 18.6	71,434	171,718	137,522	- 20.0
SPORTPLUSZ	13.50	Not published	50,269	49,087	- 2.4	Not published	3,338	4,299	+ 28.7
SZABAD FOLD	7.50	691,436	746,522	744,025	- 0.3	449,102	516,566	524,537	+ 1.5
168 ORA	25.00	Not published	97,544	74,627	- 23.5	Not published	10,801	11,046	+ 2.3
SZOVJETUNIO	14.50	117,600	50,000	17,737	- 64.5	38,273	11,172	3,153	- 71.8
TALLOZO	33.00	Not published	27,413	25,671	- 6.4	Not published	3,917	5,580	+ 42.5
TELEHOLD	13.50	72,064	38,054	34,680	- 8.9	298	7,436	8,248	+ 10.9

## Publishing and Subscription Data of Select Hungarian Newspapers (Continued)

Name	Price	Number of Issues Published			Change Between Jan and Aug 1990 (in percent)	Number of Subscribers			Change Between Jan and Aug 1990 (in percent)
		Jan 1989	Jan 1990	Aug 1990		Jan 1989	Jan 1990	Aug 1990	
TVR-HET	9.00	Not published	249,981	414,131	+ 65.7	Not published	39,845	122,279	+ 206.9
UJ ELET	11.50	5,420	5,493	4,929	- 10.3	2,463	2,641	2,659	+ 0.6
UJ EMBER	10.00	24,721	24,360	22,946	- 5.8	10,882	10,326	10,584	+ 2.5
UJ LUDAS	8.00	Not published	Not published	61,308	—	Not published	Not published	8,744	—
VALOSAG	40.00	21,240	16,865	12,819	- 24.0	12,909	11,162	8,514	- 23.8
VASARNAPI HIREK	7.50	270,595	279,904	249,149	- 11.0	4,654	3,719	3,615	- 2.8
VIGILIA	40.00	4,538	3,838	4,070	+ 6.0	1,304	2,101	1,114	- 47.0
VILAG	19.00	Not published	31,268	14,921	- 52.3	Not published	2,101	1,905	- 9.3
VILAG IFJUSAGA	27.00	236,793	161,887	116,901	- 27.8	4,893	4,157	3,101	- 25.5

\* A newspaper marked with an asterisk was given a new name because of change of ownership or publisher. Statistics were provided by the previous owner.

### Candidates for Top MTI Positions Deny KGB Ties

91CH0151B Budapest *MAGYAR HIRLAP*  
in Hungarian 26 Oct 90 p 3

[Article by (u.k.): "Peter Feledy: The Contestants Said It—They Were Not Intelligence Agents"]

[Text] In a piece published in the 21 October issue of *PESTI HIRLAP*, Istvan Csurka claimed that some former KGB intelligence agents may be found among the candidates for leadership positions at the Hungarian news agency, MTI. We inquired about whether there is some basis for Csurka's statement from Peter Feledy, chairman of the committee charged with selecting candidates for leadership positions.

According to Feledy, the suspicion of Csurka's allegation also occurred to members of the committee. Members felt that it would not be prudent to assign leadership functions to persons who may be even the least suspect. For this reason, the committee requested that the candidates address this issue. Rather than all 17 candidates, only the applicants with a serious potential to be appointed to one of the several leadership positions were asked to make such statements. All responded by saying that they had no relationship with any intelligence organizations. The committee accepted these statements. It did so based on consideration that no decision has been reached concerning the fate of Interior Ministry rosters [of former intelligence agents], thus, they left the issue of how the applicants answered this question to the applicants' own judgment.

### POLAND

#### Police Commandant on Admission to INTERPOL, Technology Improvements

91EP0058A Warsaw *POLITYKA* in Polish  
No 41, 13 Oct 90 pp 1, 7

[Interview with Inspector Leszek Lamparski, commandant of the main police force, by Jerzy Baczynski and Stanislaw Podemski; place and date not given: "A Fitting for a Navy Blue Uniform"]

[Excerpts] [POLITYKA] You have just returned from INTERPOL's convention in Canada, where the Polish police force was unanimously accepted into this organization.

[Lamparski] There was one vote against.

[POLITYKA] Whose?

[Lamparski] That I do not know because the voting was by secret ballot and we did not investigate further. Nonetheless, 150 nations voted in favor of our candidacy.

[POLITYKA] Our congratulations. This is one of only a few recent successes of the Polish police force. Will Poland's return to INTERPOL have some particular significance in terms of your effectiveness in combating crime?

[Lamparski] Poland left INTERPOL in 1954. Since that time our contact with the police forces of other countries was very limited. It is enough to say that even for me, this was the very first visit to the West, although, I have been with the police force 30 years already. We have lost

many years; in the meantime, the world has made enormous advances in the field of criminal technology, exchange of information, and the ongoing cooperation between police forces of various countries. We are just now gaining access to the huge international bank of information. We can also take advantage of INTERPOL's organizational and technological advice.

[POLITYKA] Is the Polish police force very backward in comparison with the police forces of other countries?

[Lamparski] This depends on with whom we will be making the comparison. However, by way of example, the technological distance that separates us from developed countries of the West is in the case of the police force similar to that of our economies.

In Canada, I asked our hosts to allow me to tour the headquarters of the Royal Canadian Mounted Police. I was particularly impressed by the computerized dactyloscopic file making it possible to automatically identify traces of papillary lines. The Canadians barely have 400,000 fingerprints on file whereas we have approximately 4 million. I believe that if we had similar equipment at our disposal, the apprehension of criminals would increase in our country by 10 to 15 percent. Our presence in INTERPOL will force us to make technological progress and is actually already forcing us to do so. This organization requires the Polish National INTERPOL Bureau to make known to them the foreign languages that it will use. Therefore, we must quickly find competent functionaries-translators; we should give our telefax number but to date we have not had even one fax machine in the Bureau of Criminal Affairs. Why, we have even had problems with direct telephones because this agency's previous management returned a certain number of telephones within the framework of a subsequent propaganda action. We must also buy a computer and train those who will be using it, all the more, that INTERPOL intends to connect all member countries by a computer network in the course of four to five years that would be linked to the central bank of information in Lyon. The technological problems associated with the setting up of the Polish INTERPOL bureau are a pretty good example of our technological backwardness.

[POLITYKA] What types of criminals will you be pursuing in cooperation with INTERPOL?

[Lamparski] This organization serves, above all, in combating so-called international crime: drug trafficking, money counterfeiting, terrorism, auto theft, etc. All of this, unfortunately, concerns us to an increasingly greater degree. That is why, during the visit to Canada, we also met with police representatives from our neighboring countries, particularly Germany and Scandinavia in order to agree on the terms of cooperation.

[POLITYKA] Let us return once again to the comparisons with the rest of the world. Are we up to par with the rest of Europe at least as far as the number of police officers is concerned in relation to the population?

[Lamparski] In some countries, there are even relatively fewer functionaries but instead, as I have already mentioned, they have considerably better technology at their disposal. I was interested in the wage conditions of other countries. As a rule, this is a profession that is more remunerative than in our country. I do not want to take up traditional complaints here, however, I do feel that wages in the police force should be high enough to conduct candidate selection. In Scandinavia, for example, those eager to serve on the police force must sign up on long waiting lists whereas we will hire virtually anyone who is healthy and applies. And yet, this profession requires a certain predisposition.

[POLITYKA] And despite the fact that you hire anyone who applies, there is a constant shortage of people on the police force. Reportedly, in Warsaw 30 percent of the posts have not been filled.

[[Lamparski] Fifty percent.

[POLITYKA] This is worse than we had assumed.... Sir, perhaps in that case you should not have dismissed so many people? Sometimes a not so great policeman is better than none at all. Perhaps you should have waited somewhat with the dismissals until there would be new candidates for the job?

[Lamparski] No, gentlemen. That is not why we have a shortage of police officers; it is not because we have carried out some sort of mass dismissals. The police force unlike the security service was not subject to cadre certification. Admittedly, after consulting with trade unions, the new voivodship commandants got rid of functionaries who had compromised themselves. However, altogether there were no more than 3,000 of these dismissals and part of those discharged were later reinstated. Cadre changes took place primarily at the managerial level. In voivodship headquarters, we replaced 90 percent of the personnel and 60 percent in districts, whereas we are experiencing cadre shortages at the basic level. This is a situation inherited from prior years.

[POLITYKA] This means that the latest recruitment campaign for service in the police force was not very successful?

[Lamparski] It varies—from ineffective to satisfactory. The situation is somewhat better in nonindustrialized voivodships; the worst is in large urban centers. We have to bring in police officers to Warsaw from other regions of the country. It appears that the conditions proposed by us are not competitive with large cities.

[POLITYKA] How many police officers does the country, as a whole, lack?

[Lamparski] Of the 108,000 posts, we have filled approximately 82,000. Thus, approximately one-fourth are still vacant.

[POLITYKA] At one time, you compensated for shortages with a substitute military staff.

[Lamparski] Yes, part of the recruitment age group was directed to serve in ZOMO [Motorized Reserve of the Citizens Militia] squads. However, neither last year nor this spring did we get any recruits. Not until this fall did a small group of young people come to the police force. Basically, I do not consider this method of recruitment as proper. Service in the police force should be chosen knowingly as a profession. The influx of chance individuals who frequently create disciplinary problems themselves, weakens police discipline and morale and often compromises us in the eyes of the public. [passage omitted]

[POLITYKA] Sir, we are not the only ones who feel you are so preoccupied with reorganization in the police force and cadre changes that you have no more energy left for pursuing law offenders, isn't that right?

[Lamparski] We really are not forgetting about our responsibilities but I do agree with you that because of the total renewal of police managerial cadres and the placement of people without, at times, adequate functional experience has weakened our services' cohesiveness, discipline, and competence. However, I feel that the most difficult period is behind us. This action was indispensable; society was waiting for changes in the police force also in a personal sense despite the obvious expenses involved in such changes.

[POLITYKA] Sir, you confirm indirectly certain of our fears. Namely, many new people have come into the police force who earlier had been victims of militia abuses themselves, people morally and politically clean. They brought into the police force the spirit of humanitarian compassion and conscientious observance of the law. That's good. However, has not the pendulum swung too much in the other direction? Service in the police force is not, I would think, an occupation for aesthetes. What one looks for in the police is, above all, effectiveness in combating criminals whereas you [the police force], forgive me, sometimes give the impression of being lost, frightened, and loathing your own responsibilities. Is this the prevailing atmosphere in the department?

[Lamparski] We employ police officers in the police force not aesthetes. The department's new administration has given us total freedom.

[POLITYKA] Then, let us say this differently. The citizens militia was politically corrupt whereas today's police force is branded with helplessness. Why is that?

[Lamparski] It is true that the effectiveness of the police is low these days. The events at the Central [train] Station have become known the world over and did not bring us glory. I have already talked about some of the causes of this situation: cadre changes, employee shortages, poor technical equipment. However, if you notice excessive caution or safeguarding measures on the part of police officers, this results from many legal, strict regulations weighing heavily on the police. After all, a police officer incurs continual risk not only from a law

offender but also from the law since his actions are subject to the evaluation of his superiors, prosecutors, and administrative agencies not to mention social scrutiny of his conduct.

[POLITYKA] That is the point. Recently, the case of a police officer from Bialystok, if I am not mistaken, who shot a fleeing criminal became highly publicized. This police officer was arrested and this I consider to be an outrage. I can imagine how such a lesson will be interpreted by other police officers. Now, subsequent changes are being drafted in penal legislation that are to limit the right to so-called necessary defense and this pertains to the police as well. You should protest against such plans.

[Lamparski] And we shall. It is true that following the excesses of the MO [police], everyone wants to be unusually humane. However, if we take this route too far, the public will be deprived of effective defense. Nearly every move made by a police officer is restrained by numerous rules whereas law offenders have no regard for anything, especially recently. If someone aims a gas gun at a police officer, then he should expect the officer to use a real one. Incidentally, we must limit access to gas weapons as well as other forms of weapons. Today, one can buy a crossbow [kusza] with arrows and an optical target finder for 1.5 million zloty near the Palace of Culture. A human being can be easily killed with this.

[POLITYKA] At one time, the MO abused the right of so-called detention. Today, and this is another example of how the pendulum has swung in the other direction, this institution has virtually ceased to exist. The commandant at one of the police stations explained to us that he cannot detain suspects because prison conditions are not very humane and in the case of some kind of inspection, he could get in trouble.

[Lamparski] Indeed, the number of detentions has dropped sharply. Already, in 1989, the spokesman for civil rights conducted an inspection of confinements, and in many cases found deplorable sanitary conditions. Unfortunately, we do not have the finances for necessary repairs and therefore, the sanitary installations were simply disconnected. Moreover, the institution of detention itself was publicly attacked. Thus, in honor of the new formal stipulations, obvious perpetrators of crimes are frequently not arrested.

[POLITYKA] We recently wrote in POLITYKA about a case in which one of the leaders of an automobile theft ring was arrested. Almost immediately, the prosecutor recommended that he be released on bail after which the guy vanished. It appears that cooperation with the public prosecutor's office is not working out all that well for you, either.

[Lamparski] New people have come to the public prosecutor's office as well; many of them lawyers, legal advisors, etc. They have to acquire experience. Moreover, unless I am mistaken, there is a 40 percent shortage of public prosecutors. Thus, the remaining ones are overburdened. This gives rise to obvious mistakes.

Cooperation between the Main Police Headquarters and the Public Prosecutor's Office is working out very well but there is some adjustment needed at the lower echelons. The fact is that many functionaries feel that their efforts are thwarted by prosecutors or overly liberal judges.

The right to install hidden listening and video devices and other technological means of spying has been very rigorously restricted and rightly so. At times, however, these restrictions go much further than in other democratic countries. For example, the German, Swedish, and French police with which we are cooperating in combating the smuggling of stolen vehicles have the kind of legal, technological, and financial capabilities that stirs envy among us. I am speaking here of the crime fighting police but, after all, the same applies to traffic police. Until recently, we were able to give fines of no more than 3,000 zloty which caused prevalent disregard for [traffic] regulations and for police officers and, on our side, discouragement.

[POLITYKA] I can see this from the window, where intoxicated customers of nearby bars are leaving in their cars from the parking lot under the police station without any reaction whatsoever from the police officers. But this is relatively trivial. However, the general consensus is that one does not see the police nor hear about what they are doing or its successes, if any. Why, for example, do you not say anything about your progress in the investigation into the series of murders in Old Town two years ago, the bank holdup in Otwock, the burning of Editor Jachowicz's apartment, etc.?

[Lamparski] There is an investigation in progress in each of these cases. The change from militia into a police force did not create an interruption in the investigations. However, we do not always have something new to report. I realize that today more than in the past, we need some sort of spectacular success.

[POLITYKA] The public also need some sort of success on the part of the police.

[Lamparski] And we have such successes, although, they are not always publicized enough as, for example, the apprehension of the murderer running rampant in the area of Silesia, the gang holding up cars on the route between Czestochowa and Katowice, as well as others. However, at times the majority of our work goes to waste.

[POLITYKA] Sir, do you not feel that besides other reasons for this low rate of success which we have talked about, the low professional qualifications of your people may also have something to do with it? We intend to print in POLITYKA the interview with Najmrodzki. It is interesting actually only in one respect, it reveals the, at times, embarrassing incompetence of our law and order force.

[Lamparski] Let's not exaggerate. We have many excellent professionals. Besides, we are currently taking advantage of the assistance of foreign police services in the training of our officers. INTERPOL itself is, for example, organizing numerous courses, seminars, and symposia for experts in the area of combating drug

addiction, fraud, terrorism, auto theft, as well as the use and detection of explosive materials, etc. We will be participating in this training.

[POLITYKA] And are you, for example, training police officers in a psychological sense, i.e., the ability to control fear, skill in talking to crowds, reactions when threatened, etc.? This is commonly practiced in the West.

[Lamparski] No. Up to now, the only time our policemen would meet with a psychologist would be at the time of hiring. But we will think about this, too. We must also change the principles of weapons training because a policeman uses weapons differently and under different circumstances than a military man. In any case, the weapons which we have at our disposal are also not very well suited to police use.

[POLITYKA] Therefore, does our police force have some sort of plan for self-improvement?

[Lamparski] Of course, although we realize that money is needed for everything, whereas as a budgetary unit we are in competition here with the health service, education, and social welfare. That is why we want to modernize ourselves in stages. The most pressing issue is that of improving communications. We plan to link the entire country by means of a fax communications network. We should change the way police officers are outfitted, namely, weapons, radio phones, motorcycles, and even good flashlights which we don't have. We also need new, more efficient cars and, of course, computers if only to computerize dactyloscopy, as I have already mentioned.

[POLITYKA] Can you say when this will happen; when we will begin to feel more safe?

[Lamparski] In first place, we would like to ensure complete safety in selected areas of cities, e.g., in Warsaw at the railroad station, in Old Town, on the Royal Highway, and in the downtown area. In light of the limited funds, we must concentrate our attention on something. At the same time, we will make efforts with support from the public to better equip the police force.

[POLITYKA] Do you also intend to change the uniforms of the police force?

[Lamparski] Yes. However, not yet because there are more pressing matters but in three to four years. Meanwhile, we are only changing ranks and badges.

[POLITYKA] And how will the uniform of the future police force look?

[Lamparski] It will, undoubtedly, be navy blue. We will perhaps begin introducing this new uniform somewhat earlier starting with a new cap.

[POLITYKA] We thank you for the interview and wish you and ourselves that a modern, competent, and respected police force be dressed in the new uniforms.

## HUNGARY

**Causes of Warsaw Pact Meeting Postponement Analyzed**

91CH0126A Budapest MAGYARORSZAG  
in Hungarian No 44, 2 Nov 90 p 8

[Article by Peter Vajda: "Warsaw Pact: Postponement and Background; The Soldiers 'Ask To Be Heard'; Strategic 'Hand' of Cards by the Honved Forces"]

[Text] News changes very fast these days. On 20 October an MTI dispatch had this to say: "There will be a two-day summit in Budapest: As agreed upon earlier, the Political Advisory Body of the Warsaw Pact will hold its extraordinary summit in Budapest on 3 and 4 November. As customary, leading statesmen of six countries will take part in this meeting—only six because the German Democratic Republic [GDR] withdrew from the Warsaw Pact."

**Backdrop**

This report did not survive even for a week. Reuter of London was first to report that nothing will take place in Budapest, at least not for the moment. The British news agency claimed that postponement of the conference was requested by Moscow in order to avoid a clash with Prague and Budapest concerning the future of the Warsaw Pact.

At first sight at least, news of the stormy atmosphere seemed to be confirmed by information that seeped out earlier from Moscow. This report held that the atmosphere was not the best at a recent visit to Budapest by General Lusev, supreme commander of the unified Warsaw Pact forces, who met with Defense Minister Lajos Fur. According to the information received from Moscow, Lusev, and particularly the deputy who accompanied Lusev, could not understand the prevailing Hungarian attitude. This attitude reflects a dwindling of Hungarian relations with the Warsaw Pact to virtually zero, despite the fact that as a matter of formality Hungary is still a member of the Warsaw Pact. At the Hungarian Defense Ministry, Soviet generals expressed apprehension to Hungarian ministers about the fact that Colonel General Krivda, the representative of the unified forces in Budapest, is not invited to military exercises, moreover, not even to military receptions. (Unfortunately, the Soviets did not check their facts before raising the latter issue. As it turned out at the time in question Krivda was not in Hungary, he was vacationing in the Soviet Union. His deputy remained in Budapest and conversed with Hungarian military leaders at the reception.)

By all means, this claim only served to set the stage for news of the postponement. The Hungarian side went so far as to deny that postponement of the summit was caused by disputes over quotas among representatives of the member countries in the special committee on disarmament. The Hungarian side argued that by the time

the Soviet request for postponement was received, substantial progress was made by representatives of the various governments concerning the armament quota allocations applicable to the various member countries. (The subject of dispute among the special delegates at meetings held in various locations was the distribution of the volume of armaments to be held by the Soviet Union versus the other Warsaw Pact countries, within the overall figures established at the Vienna NATO-Warsaw Pact negotiations. Hungary and other countries expressed the view that the Soviet Union intends to keep for itself too large a piece of the cake.)

**The Generals' Wishes**

The Moscow proposal to postpone the meeting by all means caused surprise, but the reasoning provided with the proposal was too general to permit one to draw accurate conclusions. The fact is that the proposal came at a time when the Soviet military-industrial complex exerts a growing influence on Soviet politics. (In this regard, Gorbachev foreign policy adviser Vjacheslav Dasichev had this to say: "Unrest within the populace may erupt as a result of the deepening of catastrophic supply conditions. In the end, the soldiers may intervene, despite the fact that neither the generals nor the conservative critics of the president have a clear concept of how this country may recover from its deep crisis; recovery could hardly be accomplished as a result of authoritarian measures!")

The fact that the Soviet military leadership "asked to be heard" was manifested in a peculiar way by the underground nuclear test performed at the distant Novaya Zemlya. Prior to this test there was complete silence at Soviet nuclear proving grounds for a year. Initial concerns were not justified by measurements, however. The force of the explosion was below the upper threshold specified in U.S.-Soviet nuclear agreements. Accordingly, a possible violation of such agreements may be ruled out. Nevertheless at issue is the fact that the nuclear explosion enforced the wishes of Soviet generals: There should be no total nuclear silence in the Soviet Union, at a time when the United States is perfecting its own nuclear weapons. (Of interest is the fact that renewed nuclear testing took place during a week when sharp differences of opinion between local authorities and local military commands erupted in a number of republics and even in the cities of Russia, because the local military commands insisted on holding the traditional military parade on 7 November.) The answer is a conditional "yes" to the question of whether the postponement of the Warsaw Pact summit is tied to gains made by the Soviet military, despite the fact that other causes may have played at least an equal role in the postponement. One thing is certain: Moscow wishes to discuss the future of the Warsaw Pact only after the Paris summit on European Security and Cooperation. A belief that the Soviet Union feels that the Paris conference may also have beneficial effects on the Budapest negotiations is justified.

All in all, it seems that as of 31 December 1990 the military organization of the Warsaw Pact may also be viewed as suspended or discontinued insofar as the Soviet Union is concerned. It came into increasing conflict with the military realities of changed times. This puts an end to a period appropriately characterized by Colonel Robert Pick, doctor of military sciences and at present an aide to the President of the Hungarian Republic: "As long as Hungary is a member of the Warsaw Pact, the military doctrine, organization, technology, personnel composition and level of training of the Hungarian Honved Forces will correspond to requirements established by the Warsaw Pact. The dislocation (placement) of troops reflects a confrontational view of NATO and the Warsaw Pact; the main forces of the armed forces are deployed so as to support military movements along the Danube valley, and in the direction of Graz and Klagenfurt. In case of war the combat troops of the Hungarian army would be placed under the Soviet Southern Command. For this reason the Hungarian Honved Forces do not have the strength and means that are indispensable to pursue independent military action. The country's air space is defended by Hungarian air defense forces within the unified framework of the Warsaw Pact air defense."

Colonel Pick also characterized the Hungarian consequences of a change in the Soviet military doctrine. The essence of Pick's analysis is that the foundation of the Soviet military doctrine continues to be an assumed threat posed by NATO, a confrontation between NATO and the Warsaw Pact, but the corresponding military policy no longer involves a counteroffensive, it is based only on the principle of satisfactory defense. The difference between troop levels needed for an offensive on the one hand, and defense on the other enabled the discharge of part of the troops, and the start of a troop withdrawal process. According to the changed military doctrine, in the course of initial hostile actions Hungarian territory may be defended by Hungarian forces only, and it will suffice to concentrate Soviet forces needed for a counteroffensive only in the Western sectors of the Ukraine. This strategic plan is based on the assumption that one may expect the deployment of three military divisions from a westerly direction. It will be the function of the Hungarian Honved Forces to ward off such an attack, and the purpose of military reform is to establish a defense structure required under this scenario.

#### The Stability Aspect

Quite obviously, even the changed doctrine remains lightyears behind the requirements posed by this day and age. One may rule out an attack launched by NATO even at the level of military planning. In this regard the positions taken not only by Hungary, but by the remaining member countries, seem to merge forcefully. The more progressive Soviet political line appears to accept the gradual fading of the Warsaw Pact, and limits itself to emphasizing the need to change the European Conference on Security and Cooperation into a permanent Pan-European conference (with 35 participants,

including the United States and Canada, of course). The function of this conference would be to guarantee peace in Europe, and presumably, this organization would also possess an appropriate military force to enforce peace in Europe.

Quite naturally, from the standpoint of European stability the issue of how to stagger the process in which countries leave the Warsaw Pact is important.

There is no danger if we pace and stagger our removal from the Warsaw Pact in a manner consistent with European processes. Our efforts will not be isolated under such circumstances, at most there will be differences in the timing by which individual countries take steps to disband the old coalition. European processes are not necessarily synchronized with our proposals, but the weight of our proposals is definitely on the increase in the atmosphere of European processes. One may expect that understanding of our proposals will increase in a similar manner.

#### Defense Secretary Raffay on Policy Reorientation

91CH0077A Warsaw PRZEGLAD TYGODNIOWY  
in Polish No 42, 21 Oct 90 p 8

[Interview with Dr. Erno Raffay, secretary of state in the Ministry of Defense, by Mirosław Cielemecki; place and date not given: "Farewells"]

[Text] [Cielemecki] You are the first civilian in the postwar history of Hungary to occupy a high post in the Army. Please tell us about your road to the ministerial chair.

[Raffay] In 1977, I finished university studies. For the last 10 years I have been teaching the history of Central Europe, including the history of Poland since the first partition. I came to know and to love Poland then. At one time, I spoke to at least 100 persons in a Polish auditorium and sang them Dabrowski's Mazurka. What an impression that made on them...don't you believe that I can? Shall I sing it?

[Cielemecki] I believe you. I'll listen with pleasure.

[Raffay] That was a digression. Then I did a doctorate on the history of Siedmiogrod. At the beginning of the 1970's, I entered politics. No, this was not large-scale politics. We met in homes, discussed what we could not discuss at the university. In 1981, Polish Solidarity stamps reached us; the discussions became livelier. But this was still only political creeping. Of course, this was not safe. The Hungarian security service kept us under surveillance. The party organization at the university pinned the nationalist label on me. There was no possibility of foreign travel; academic advancement was retarded. In August 1987, I participated in the formation of the Democratic Forum. We all know what happened later in Hungary. In 1985, I became an opposition deputy. This past spring, the chairperson of the Democratic Forum, Antal, now premier, offered me the post of



deputy minister of defense in charge of, among other things, depoliticizing the Army and education.

[Cielemecki] Were you in the army before?

[Raffay] In 1969-71, I did basic military service in an artillery regiment. Those two years seemed endless. I have unpleasant memories of many officers, though I also remember some who were admirable.

[Cielemecki] Those officers are colonels now.

[Raffay] Yes, and I am their superior. They report to me. Many have changed, some have not....

[Cielemecki] The present generals also made their careers during what were unpleasant times for you. How did they accept the appointment of a civilian, a former oppositionist?

[Raffay] You would have to ask them, especially those who had to leave the Army.

[Cielemecki] Political purges?

[Raffay] Purges? Not really. Thus far, approximately six percent of the generals have retired. A few more will leave by the end of this year. We say good-bye to those who cannot adjust to the new times and do not accept the changes taking place in the Army and in Hungary.

[Cielemecki] What kind of changes have taken place in the Hungarian Army?

[Raffay] By the end of 1991, Hungary will leave the structure of the Warsaw Pact, if, indeed, the Pact itself will not be dissolved before that time. All Soviet units will leave our territory by July 1991. Recently, we changed the military doctrine of our country to a typically defensive position. We are moving toward complete military independence.

[Cielemecki] In the structures of the Warsaw Pact, the Hungarian Army had the task of executing an eventual counterstrike against Austria, Italy, and West Germany. The new defensive doctrine must also include assumed directions from which aggression may come.

[Raffay] We want to come closer to those parts of Europe with which we were supposed to fight according to the doctrine that was in force in past years. We would like to form relations with our neighbors, and not just our neighbors, on the basis of bilateral agreements. Generally speaking, we want to be closer to Western Europe. The defense minister of Spain visited us, the Belgian minister is coming.

[Cielemecki] The Hungarian Army has mainly with Soviet equipment....

[Raffay] True, 80 percent of our weapons were produced in the Soviet Union. It's clear that this determines our future purchases since the country cannot afford a complete rearming of the army. We are taking a step toward the West without, however, breaking off agreements with

the Soviet Union. We would be satisfied with the Finnish model of defense where the army has Western and Eastern technology, where multilateral military connections are maintained.

[Cielemecki] Recently, Hungary signed an agreement with West Germany pertaining to defense matters, among other things.

[Raffay] Not an agreement, but a mutual memorandum. As long as we are in the Warsaw Pact, there is no discussion of military agreements with other countries.

[Cielemecki] What was the content of that memorandum?

[Raffay] Mainly, an exchange of experience in training, certain matters of the quartermaster type. We are planning to train Hungarian officers in the West.

[Cielemecki] The countries with which Hungary is signing, let us say, memoranda are, after all, members of NATO. Is Hungary aiming toward this alliance?

[Raffay] It's too soon to say specifically. We are most interested in an all-Europe security system.

[Cielemecki] That is a later prospect. Right now, in the economic and political spheres, the so-called pentagonal group is being discussed (Hungary, Czechoslovakia, Austria, Italy, and Yugoslavia). For Poland, participation in such a configuration would also be advantageous.

[Raffay] At least for now, I would rather not express a view on this question. Matters of political and military alliances are not within my competency.

[Cielemecki] Let's try another tack with respect to this. Poles believe that Hungary will become an advocate in the matter of drawing Poland closer to the pentagonal group. Earlier statements of Premier Antal gave rise to these hopes. Now, however, Poland has become as if finessed out of the South European configuration.

[Raffay] Hungary is concerned that Poland not be left out of the southern alliance. Not only historical sympathies, sentiments, are concerned here, but also the economic interests of Hungary.

[Cielemecki] Let us return to training in the Hungarian Army. You mentioned that the years you spent in the army were a nightmare. Now you have an influence on the frame of mind of the young people called into the army.

[Raffay] A term in the army forms the mind of a young man to a significant degree. When I was in the artillery, we sat in a forest for several weeks, on the firing range. I remember that forest, wet tents, cold, the officers' shouts.... The army is not a day nursery for little children. We are making progress, just as in the Polish army, so that military service should not be a nightmare.

[Cielemecki] Undoubtedly, a great influence on this is the participation of soldiers in religious rites.

[Raffay] In Hungary, these problems are more complicated than in Poland. We do not have one dominant church, but three or four of equal status. In addition, 35 other denominational groups also function officially. In the Hungarian Army there are no military chaplains at present. We are making contact with the main churches which, should they be interested, will make it possible for them to go into the barracks. Even now, however, I know that there will be problems since there is a shortage of young priests willing to serve in the military.

It has developed in recent years that a significant proportion of our people, especially the young, are nonbelievers. Analyses done in the process of army recruitment confirm this. Most of the Hungarian officers are atheists. In recent years, however, changes have been taking place; among other things, the number of children participating in religious instruction has increased. Therefore in the future, matters of religious ministry in the Hungarian Army will assume great significance. At present all steps aimed at increasing the role of the church in the army or in schools meet with sharp attacks from the left and liberal part of the Hungarian parliament.

[Cielemecki] What do you think of the Hungarian pacifist movement?

[Raffay] They have beautiful goals, it is true. But, at least for the moment, reality does not favor their realization. As deputy minister of defense, I am not sympathetic toward the pacifists. Everything here depends on where one stands. One deputy with pacifist leanings, from a strong parliamentary party, attacked the Army very sharply, he cast doubt on the sense of its existence. This party, however, created a so-called shadow cabinet. And in it that person was given...the portfolio of defense minister.

## POLAND

### Projected Force Structure, Manpower Detailed

91EP0038A Warsaw PRZEGLAD TYGODNIOWY  
in Polish No 39, 30 Sep 90 pp 1, 6

[Article by Miroslaw Cielemecki: "Your Boys, O Poland"]

[Text] If the defense budget is not increased next year, it will be agonizing for the Polish Army.

Should we have a million soldiers or 50,000 soldiers? Airborne-assault divisions or mechanized divisions? Should we continue to purchase MiG's or should we start buying Mirages? Should we create a strong navy or reduce its present numbers? Should we have a professional army or a conscript army? In the Warsaw Pact, in NATO, or independent?

Recently there has been much discussion in this area in contrast with the past when there was a total lack of

discussion in the public forum regarding the future shape and tasks of the Polish Armed Forces.

### Who Is the Enemy?

Until recently, the political situation in Europe was quite clear: the East versus the West. In the East there was the Warsaw Pact, opposed by the West with the NATO armies. In accordance with the military doctrine then valid on the headquarter's maps of the Warsaw Pact, the primary exercises took place according to a scenario in which the Western states provoked an armed conflict, the Warsaw Pact armies resisted an attack on the territory of the GDR and Czechoslovakia, from a defensive stance the second lines of defense moved into an offensive which ended somewhere on the line of the Rhine or further, until new operations commenced. Staff officers in the West operated according to a similar scenario, in which the roles of aggressor and defender were reversed and the directions of operations and the river ending the first stage of armed struggle differed. The Western tanks "took a swim," for they resisted an offensive in the Vistula waters.

Today everything is topsy-turvy. In the central institutions of MON [Ministry of National Defense], many questions relating to the present state of the Army and its future structure end with other questions for the policymakers to answer. Who will be the possible opponent, who will be the ally, and from which direction may an attack be expected?

The old military doctrine anticipated a rapid counterattack on the West, to the line of the Rhine. The Polish Armed Forces were readied for this; hence the saturation with mobile tactical units, and the large number of tanks (more than 3,000).

### A New Doctrine

The universal changes in the Polish Armed Forces emanate from a new doctrine, which was announced after a meeting of the National Defense Committee held in February 1990. In general, the Polish Armed Forces have shifted from a defensive-aggressive army to a characteristically defensive army. Its use outside Poland's borders is ruled out.

According to the defense doctrine, the structure of former tactical units has changed. The armored divisions have been deactivated and the proportions of armaments in motorized rifle divisions have changed. The old motorized rifle division was composed of three motorized rifle regiments and one tank regiment, while a tank division was made up of three tank regiments and one motorized rifle regiment. The present division is made up only of three mechanized regiments. This does not mean that the divisions are without armored forces; in addition to having two mechanized infantry battalions, every mechanized regiment likewise includes two tank battalions. Previously, there were 323 tanks in an armored division and 201 tanks in a motorized rifle

division. The new division has 186 tanks, 200 armored vehicles, and 168 medium artillery pieces.

At present there are seven full strength [category "A"] divisions. Formerly these were projected for use in an initial thrust. The Silesian Military District is comprised of: the 4th Pomeranian Mechanized Division with command headquarters in Krosno-on-the-Oder, the 5th Saxon Division in Gubin, and the 11th Dresden Division in Zagan. The Pomeranian Military District is comprised of the 8th Dresden Division in Koszalin, the 2nd Warsaw Division in Szczecinek, the 12th Division in Szczecin, and the 1st Warsaw Division in Legionow (on the terrain of the Warsaw Military District). In addition to this there are cadred divisions: the 16th Kashubian in Elblag and the 10th Sudetan in Opole and equipment holding garrisons which are expandable into divisions (Base 15 in Olsztyn, Base 20 in Nysa, Base 3 in Lublin, and Base 9 in Rzeszow). Each full strength mechanized division (about 12,000 soldiers) includes other units in addition to mechanized regiments. These include: the signal battalion; the support and supply battalion; engineer battalion; medical battalion; air defense units; antitank and missile units. In the new division, air defense strength has been increased (one air defense sub unit has been added) and the antitank component has been enlarged.

The makeup of the present mechanized division was prepared on the basis of a computer simulation in which the potentials of the tactical formations of the other states—West and East—were compared. Polish General Staff Specialists assure that its strike force is equal to the European average.

Ground operations forces have about 2,900 main battle tanks (T-72 and T-55M or AM) and about 4,000 armored personnel carriers (BWP [BMP], Skot [OT-64 used by Poland in place of similar BTR-60], BWR-1k [BMP-1 variant], Topaz [OT-62, equivalent of Soviet BTR-50 PK], BRDM). The T-72 tanks and the infantry combat vehicles [BWP's] are completely modern. Military analysts claim that the T-72 tanks are comparable to the West German Leopards. According to figures from 1 January 1990, there were 870 of the Polish-made T-72 tanks and 1,500 BWP's. The modernized T-55 tank (equipped with a laser range finder and an improved gun) has about 80 percent of the value of the T-72 tank, according to armored defense specialists.

Other autonomous tactical units (support, command and control, and specialized) likewise are included in ground operations armies. The primary formations in the missile, artillery, and air defense forces are: the 2nd Pomeranian Artillery Brigade in Choszczno; the 6th Warsaw Gun Artillery Brigade in Torun; the 14th Sudetan Antitank Artillery Regiment in Kwidzyn; the 3rd Warsaw Artillery Brigade in Biedrusk; the 18th Artillery Brigade in Boleslawiec; the 5th Pomeranian Gun Artillery Brigade in Zgorzelec; the 20th Antitank Artillery Regiment

in Pleszew; the 91st Wejherowo Antitank Artillery Regiment in Gniezno; and the 80th Antitank Artillery Division in Suwalki.

The engineer forces include the following units: the 5th Mazurian Engineers Brigade in Szczecin; the 3rd Warsaw Bridging Engineer Regiment in Wloclawek; the 1st Warsaw Engineer Brigade in Brzeg; the 4th Lusatian Engineer Brigade in Gorzow Wielkopolski; the 6th Warsaw Bridging Engineer Regiment in Glogow; and the 2nd Warsaw Engineer Brigade in Kazun. The communications forces include: the 2nd Signal Brigade in Walcz; the 4th Lusatian Signal Regiment in Bydgoszcz; the 24th Signal Regiment in Kwidzyn; the 12th Telecommunications Regiment in Swiec; the 15th Telecommunication Regiment in Sieradz; the 10th Saxon Signal Regiment in Wroclaw; the 14th Telecommunication Regiment in Strzegom; and the 9th Regiment in Bialobrzeg. The Polish Army likewise includes three chemical defense regiments: the 1st in Zgorzelec; the 2nd in Grudziadz; and the 4th in Brodnica.

Based on the doctrines formerly in effect, the majority of the land operations units had been stationed in the western and northwestern parts of Poland. They still have at their disposal the best (usually prewar) barracks and other logistical facilities. Consequently, for the same reasons, the Warsaw Military District is the most poorly developed and equipped.

Besides the previously named operations formations, among which it is difficult to consider even the T. Kosciuszko Division, known from official listings to be a full strength unit, the following security regiments are stationed in the Warsaw Military District: the 1st Mazovian in Gora Kalwaria; the 14th Mazurian in Olsztyn; and the 5th Podhale Sharpshooters in Krakow. Until recently, the foremost unit in the Warsaw Military District was the 6th Pomeranian Airborne-Assault Division headquartered in Krakow, which was recently reduced to a brigade. The famous division was thus scaled down partly due to a lack of sufficient means for airborne strikes (planes and helicopters) and a changed perspective on airborne assault armies emanating from the defense doctrine. The brigade from Krakow currently is of an assault-attack nature similar to air cavalry units. Another very well trained elite unit in which commandos are trained is the First Attack Battalion from Lubliniec. Special subunits (including assault-attack subdivisions) are likewise found in other Polish Army organizational units (districts, divisions).

#### **In the Air—According to the Possibilities**

Efforts to reorganize Poland's air defense system have been ongoing for quite a long time. They began even before the new state doctrine was announced. Until now, Poland's air space has been defended primarily by the WOPK [National Air Defense Forces] and partly by the WL [Air Force]. The WOPK was organized in the second half of the 1950's. It was modeled after the English

system of air defense, which at the time evoked dissatisfaction among the Soviet military. But after a certain period of time, the Russians likewise reformed their system.

The most recent reorganization, which led to the creation of the Air and Air Defense Forces, integrates the air defense system. The headquarters of this new force is in Warsaw. The deactivated Air Force Command in Poznan has yielded to an air corps to perform tasks within an integrated system serving all of Poland.

The territory of Poland is divided into three zones of responsibility for air defense: the 1st National Air Defense Corps in Warsaw; the 2nd in Bydgoszcz; and the 3rd in Wroclaw. The Air Defense Corps is made up of missile units, fighter forces, and radiotechnical forces, as well as technical and quartermaster's units. The primary combat units defending the Polish skies are: the 1st Artillery Brigade in Bytom; the 3rd Lusatian Brigade in Warsaw; the 4th Brigade in Gdynia; the 26th Brigade in Gryfice; the 79th Autonomous Artillery Regiment in Poznan; the 1st "Warsaw" Fighter Force Regiment in Minsk Mazowiecki; the 11th Brandenburg Fighter Force Regiment in Wroclaw. The units also include the following air regiments: the 10th in Lask; the 28th in Slupsk; the 34th in Gdynia; and the 62nd in Poznan.

Included in this group are units formerly under the command of the Air Force: the 4th Pomeranian Fighter Squadron in Malbork; the 2nd Fighter-Bomber Squadron in Pila; the 3rd Fighter-Bomber Squadron in Swidwin; the 61st Air Training-Combat Regiment in Biala-Podlaska; the 58th Air Force Training Regiment in Deblin; the 60th Air Force Training Regiment in Radom; the 13th Air Transport Regiment in Krakow; the 32nd Tactical Reconnaissance Air Force Regiment in Sochaczew; the 49th Combat Helicopter Regiment in Pruszcz Gdanski; the 56th Combat Helicopter Regiment in Inowroclaw; the 37th Helicopter Transport Regiment in Leczyca; and the 47th Helicopter Training Regiment in Nowe Miasto. The 36th Special Air Force Transport Regiment in Warsaw is still a so-called government regiment.

At present the Air Force and Air Defense numbers approximately 71,000 soldiers. They are the most professional kind of army. The Polish Air Force utilizes approximately 400 combat aircraft. A large majority of these are not modern. Only the MiG-29 (whose performance is on a par with the F-16) compares with the most modern Western fighter planes. Only one unit is as yet equipped with the MiG-29 (in Minsk Mazowiecki). The other MiG-23 fighters are comparable to the F-4, the MiG-21, to the F-104. The SU-22 and M-4 may be reckoned in the medium class of fighter-bombers. Other attack aircraft (the SU-20 and the SU-7) are less modern. The situation is similar with regard to the An-26, An-12, and An-2 transport planes and the Mi-24, Mi-14, Mi-17, Mi-8, and Mi-2 helicopters; these are generally quite obsolete. Hence, the potential for expanding the air cavalry is limited.

Other armies (Western armies included) also have aircraft from various generations. Saturation with new equipment determines how up-to-date an air force is. Western armies and some Eastern armies are more heavily saturated with new equipment than the Polish Army.

Most of Poland's flight equipment was purchased in the USSR or manufactured domestically. The shift in foreign trade to convertible currencies will create new potential for the import of aircraft. Speculation has appeared in the press on the possible purchase of French Mirages instead of MiG's. However, as it now stands, the Air Force has been equipped technically and staffs have been trained for Soviet aircraft; thus, the mere purchase of aircraft is not the most important factor.

The antiaircraft artillery of the air defense system is equipped with Soviet midrange Volkhov and Neva missiles. These are midgeneration missiles (second-third generation on a scale of five). These are modernized as it becomes possible, and not according to need.

Poland's radar system, which to date has been part of the Warsaw Pact system, is fully autonomous and capable of independent operation, according to military experts. At present, approximately 60 percent of radar equipment is domestically produced. In 1995 this figure should reach 90 percent.

Will the dissolution of the Warsaw Pact now underway leave Poland with air space that is, with certainty, completely covered by a radar field? At present, the Polish system is integrated automatically into the system of neighboring allied states (for example, the Polish system had automatically received reports, therefore independent of good will, from the GDR of a target approaching from the northwest). Soviet units stationed in Poland cooperate with the Polish system; should an operation become likely, they are to carry out the orders of Polish commanders. The majority of OPK [National Air Defense] units are located in the western and northern parts of Poland. Equipment for discovering low-flying targets is not available everywhere. Radar equipment, however, is mobile and its disposition into regions expecting threats from the West is possible relatively rapidly. Radar Forces are the most modern element of armed forces in the Polish Army. However, given the enormous progress in worldwide electronics and the lag of this industry in Poland, are they modern enough?

#### **Tadpole in the Baltic**

The malicious compare the Polish Navy to a tadpole—with a large trunk and a small tail. The trunk is the command and the tail is the combat units. People responsible for the Navy take offense at such a comparison.

The sea has always been a very emotional topic in Poland. The range of emotion in discussions extends

from superpower aspirations with demands for an aircraft carrier to the complete downgrading of the Navy's role in the small internal sea of the Baltic. No doubt the truth lies somewhere between these two extremes. The Soviet Baltic Fleet is the least significant one in the military sea potential of the USSR. Other Baltic states likewise do not try to be marine superpowers. The strength of the Polish Navy, however, is set at the next-to-last place among Baltic states behind Denmark.

On 1 January 1990, the Navy had 21,200 sailors. The Naval Forces were grouped into four tactical units (the 3rd Flotilla in Gdynia, the 8th in Swinoujscie, and the 9th Coastal Defense Flotilla in Hel, as well as the Marine Border Guard Brigade in Gdansk). The Polish Navy includes 105 ships and combat cutters, 25 specially designated units (hydrographic, research—for example, the Kopernik and the Arctowski), and 92 auxiliary vessels (container ships, tugboats, rescue ships). This does not include small vessels such as motorboats for transporting people.

Combat attack ships include: the destroyer Warszawa; four small missile craft (Gornik, Hutnik, Metalowiec, and Rolnik); three submarines (Orzel, Wilk, and Dzik); and eight submarine chasers. If the funds were found to purchase the equipment that is lacking, one could add to this category likewise the frigate Kaszub which currently patrols the Polish zone of deep-sea fishing.

Among the most modern ships are the mine-transport craft Lublin, Krakow, and Gniezno. Two of these are currently in line service and a fourth ship of this type is being built. They have a carrying capacity of 1,600 tons and carry 60 large mines and 130 smaller mines. Among our 30 minesweepers, we have both obsolete ships and modern ships of the 207-type made of plastics. Border guard ships have considerably less combat significance; there is currently a discussion ensuing over changing the manner of protecting the territorial sea and the deep-sea fishing zone.

Poland's assault landing craft caused a great outcry among our neighbors from the north. Until recently we had 23 such craft. The former military doctrine stipulated that after an initial strike was repelled, a counter-attack followed which included a sea landing onto the Danish Islands and the Jutland Peninsula. With the change in doctrine, Poland's fleet of landing craft has been reduced. It now totals 16, and by 1995 these will be withdrawn from the line (there have been attempts to use them for civilian transport). For this same reason, the 7th Coastal Defense Division from Gdansk, which is part of the Pomeranian Military District structure (blue berets), has been reduced to a brigade. The organizational structures and operating principles of this division have likewise been changed.

Critics of our past sea defense policy point out many unsuccessful purchases (including submarines which are not adapted to the Baltic Sea area) and the underinvested Navy. To date the Navy absorbs 10 percent of the

defense budget. Despite offensives by proponents of a strong navy, for the present the reasoning of the pragmatists prevails and the Navy will be cut back along with the whole of the Armed Forces.

### Secret Special Implications [Spec-Znaczenia]

The system for mobilizing the Armed Forces of the Republic of Poland is one of the best guarded military secrets. Although much information that was formerly kept secret has been revealed about the peacetime status of the Army (for example, the disposition of troops, manpower, and armaments), the General Staff is firmly opposed to revealing mobilization secrets. Only a few people have access to the solid safes that go back to prewar times (the Main Staff was located in the building of the present General Staff). At the lowest levels, in organizational-mobilization cells, secrecy is very closely guarded.

The mobilization system ensures: the maintenance of forces at a high level of readiness for flexible deployment; the planned assembly of trained personnel; an efficient and timely procedure for deploying forces; the proper formation of new military units; and the effective replenishment of military units after losses are incurred (everyone knows what this euphemism implies).

During peacetime, various groups of units exist: those which are almost complete; those which are below their full complement; cadre units; and units which are newly formed.

In order to test combat readiness, system drills and training exercises are conducted covering the problems of mobilization. These are based on real premises, without any sort of oversimplifications, and they are then evaluated and utilized to improve the system. The officials of the military and state administration are responsible for implementing mobilization efforts. Recently, the frequency of calling up reserve soldiers for military drills was cut back from two or three times to once, and in some cases, twice in the course of five years; the duration of these exercises was cut back from 14 to 30 days to seven to 21 days. The practice of calling up reservists for long-term military exercises (31-90 days) has been abandoned, and exercises of this scope have been reserved for courses to upgrade the training of reserve officers, warrant officers, and officer candidates, with a view to designating these reservists for higher service positions. The call-up of reservists for military exercises during periods of intense farm work and during the vacation season has been restricted. In recent years, the number of reserve soldiers called up annually for military exercises is 40 percent that that of previous years.

### But Who Has the Money?

Based on manpower as of 1 January 1990, the Polish Armed Forces were made up of 314,000 soldiers, of which almost 108,000 were professional soldiers (54,200

officers, 29,058 warrant officers, and 24,600 noncommissioned officers). In Poland, there was one soldier for every square kilometer of area. In other states, this population shapes up in the following way: 2.58 in The Netherlands; 1.97 in the FRG; 1.06 in the GDR; 1.29 in Italy; 2.98 in Belgium; and 0.84 in Turkey. The Polish Army constituted approximately 0.8 percent of the population of Poland (in the mid-1980's, the military population stood at 1.1 percent). Here are the figures for some states: France—0.98; GDR—1.03; FRG—0.82; Turkey—1.25; Bulgaria—1.31; and the Czech and Slovak Federal Republic [CSFR]—1.28 (this index is on the decline now in the CSFR).

It cost 29.4 million zlotys annually for the maintenance of one professional soldier (according to prices in mid-1990). The maintenance of a soldier in basic service cost 10.2 million zlotys, and a civilian military employee's maintenance cost 19.2 million zlotys. These figures include personal costs, food, uniform, medical care, lodging, social expenses, transport, but not training costs. In accordance with the Budget Law, the Polish Armed Forces employed an average of 113,000 civilians in 1990.

At present, operations forces constitute approximately 55 percent of the total Armed Forces. The rest of the soldiers are employees in central institutions, in training and the like, and in Poland's territorial defense. There are plans to change the proportions to bring operations forces up to 70 percent. Likewise, professionalization of the Army to approximately 45 percent is planned (at present it stands at about 33 percent). Currently, the central institutions of the Ministry of National Defense constitute 0.9 percent of the makeup of the Polish Army. This percentage peaked in 1981-82 at 1.0 percent. There are plans to reduce this index to 0.7 percent by 1995.

The defense budget constituted 3.6 percent of the national income in 1986, and 2.5 percent in 1989. The Ministry of National Defense share of state budgetary outlays declined from 8.3 percent in 1986 to 6.4 percent last year. In the planning of the State Budget for 1990, set at 196.2 trillion zlotys, the MON budget was to be set at 11.121 trillion zlotys. The figure set for the MON budget does not fully take into account the effects of last year's rate of inflation. In conjunction with a reduction in the budget, there has been a cutback in purchases; for example (last year's purchases are in parentheses): tanks (104)—30; MiG-29 planes (7)—5; anti-aircraft missiles (170)—120; small arms ammunition (27.5 million pieces)—23.8 million pieces; and radar stations (28)—17. The number of investments has been considerably reduced, including the building of indispensable facilities for national defense.

This year, the following MON budget structure was planned: upkeep of personnel manpower—51 percent; armaments and technical equipment—24 percent; training and utilization—12 percent; and capital spending—7 percent.

The current budget ensures the Army's survival. However, the military believes that budgeting the same amount for next year will mean the death knell of the Armed Forces.

### **Military Daily Publishes Complaints by Career Officers on Poor Pay**

91EP0053B Warsaw POLSKA ZBROJNA in Polish  
22 Oct 90 p 4

[Article by Jan Moskwa: "Wearing Four-Cornered Caps, but Barefoot From the 20th of the Month On"]

[Text] Perhaps, not literally barefoot, but in recent months the career servicemen of our army have lived in poverty. Suffice it to say that they do not have enough to get by. These are not words plucked from the air or pulled out of a hat, nor is it cheap demagoguery. Such is reality. This is equally the case with platoon commanders, lieutenants, majors, and colonels—literally all military families throughout Poland.

*Lieutenant Colonel Andrzej Murawski from Walcz*—wife does not work; two children; maintains two households:

—"It is very hard to get by. In this instance, I speak more on behalf of my colleagues than on my own behalf because I still have a few 'greenbacks' from Syria. The worst part is that I have to keep dipping into these reserves in order to be able to last until the end [of the month]. As an officer with the rank of lieutenant colonel, I feel stupid talking about it, but recently I had to think for a long time whether to install Venetian blinds at home. This is the only expense I could afford in two months. My wife does not work and together with two teenage children lives in Kolobrzeg, whereas I serve in Walcz. It is really difficult to maintain two households!"

*Captain Wladyslaw Czurak from Warsaw*—wife has been working for several days; two children; has been settling in at a new apartment for two months:

—"Frankly, I do not have enough to get by. My wife makes barely 600,000. For several months, my wife did not work, and I had to borrow money; now I am paying it back. My children go to school, so I had to outfit them somehow. As an officer and a man under orders, I cannot make money on the side. On top of it, I keep traveling on business, which, after all, also costs me money. Who could survive when traveling on per diems alone?"

*Lieutenant Colonel Marian Fraczek from Mragowo*—wife works; two children growing up:

—"I am fortunate in that my wife works and makes relatively good money. However, what are those to say whose wives have recently been laid off? Such cases have already occurred in our town. It is easier to get by in Mragowo because an overwhelming majority of career personnel have employee gardening parcels. In addition, the needs are also considerably smaller here,

to tell you the truth. I am a KKOP [expansion unknown] chairman, and for this reason I have an excellent idea of the condition of the wallets of our personnel. People are now taking out loans in order to last until the first of the month and in order to buy winter shoes for the children. Is this not a shame? The very thought that their TV set or another household appliance may break down makes the people shiver. Repairing these devices is beyond their means."

*Captain Waldemar Szarmacki from Grudziadz—wife works; two children; maintains two households:*

—"I spend 60 percent of my earnings for necessities. What about the rest of it? At present, shoes for a child cost about 300,000 zlotys, and a jacket could be up to half a million. I did not do this previously, but now I am forced to: After the first of the month, my wife and I draw up an exact expense estimate and subsequently we comply with it strictly. It just cannot be done any other way."

These are only a few of the many statements which our editorial office has received recently. These are not the most dramatic statements, which are also quite numerous. I have selected typical, sort of statistical statements which describe the average family situation of our cadres. We have career servicemen who maintain two households; on the average these are families of four. The wives of a substantial proportion of career servicemen do not work. It so happens that for the most part they are teachers and nurses. As we know, these are professions which do not command the highest salaries. A relatively large number of career servicemen live and work in smaller localities, so-called remote garrisons where life is seemingly easier. However, does being shut in at work, the gardening plot, and the house not amount to the cultural degradation of the military community? This is a rhetorical question!

The regularity is such that the progressing pauperization of our cadres has to affect the morale and responsiveness of the army. An impoverished officer who is continuously preoccupied with how to support his family is rather unfit to accomplish the tasks assigned to him. This is a very old truth. Whether someone likes it or not career cadres cannot be allowed to fear the loss of their financial standing and social security.

#### **Gap Caused by Forced Retirement, Voluntary Departure of Professionals**

*91EP0053A Warsaw POLSKA ZBROJNA in Polish  
22 Oct 90 pp 1, 5*

[Article by Lieutenant Colonel Marek Sieniawski: "To the Detriment of the Army"]

[Text] If we were to heed the suggestions of pacifists and economists, we should immediately disband the army, let the personnel go, and beat swords into plowshares. From that moment on, society will not have to shoulder any burden. However, how is the security of the entire

country to be ensured? After all, we do not have a so-called citizens militia. However, even the latter did not accomplish its task, as history teaches us. This is the reason why it was decided to make the army smaller but also better, more organized, and equipped with modern materiel.

Has this been accomplished already? After all, it has been almost two years since former Minister of National Defense Army General Florian Siwicki announced this concept.

#### **Reduction or Restructuring?**

In the course of the reduction of the armed forces which occurred between 1955 and 1957 the army was cut back in a partially mechanical manner, by discharging people in certain age brackets. Resolutions of the Council of Ministers set forth the guidelines in keeping with which career personnel were released to civilian life. Since most of the career personnel had no education, Resolution No. 111 set forth guidelines for referring those discharged from the army to schools with a view to learning a civilian profession.

The time of instruction was paid for by the Ministry of National Defense. These people received pay despite having been discharged from the army. This period of instruction was counted as army service for those who later returned to the army.

At present, the career personnel are educated. Then people had to be helped with their adjustment to new conditions. At present, the situation is not that tragic because those discharged receive pay for 12 months and have time to find a niche for themselves in civilian life. This is complemented by so-called severance payments equal to several months of pay.

What was not envisaged? That, in conjunction with restructuring, difficulties would develop with finding work in the army for those who wish to stay in it. On the one hand, there are vacant positions while on the other hand, there are no takers for them. Factors such as facilities in a given garrison, the lack of housing in other localities to which one should have moved, and many other reasons are decisive. On the whole, there are vacancies, but the people do not want to take advantage of the offers. However, if we consider every case on its own we see that the people affected by restructuring are right.

#### **Do I Stay in the Army or Retire?**

At present, when a career serviceman is discharged from the army to civilian life, or as they usually say, "to wear civvies," he already has an education and appropriate financial and social security. In the 1950's, it was imperative to educate the people so that they would be able to cope with life.

The rate of filling positions in the army stands at 85 percent. The most difficult situation is found in the corps



of educational officers. There is a shortage of positions for them which are in line with their skills. The situation is the same in the quartermaster and construction corps, the general military corps, and the military preventive service—the former WSW [Internal Military Service] and with pilots. So-called transitional registers were created with a view to making it possible for career servicemen to find a place in the army within one year. A discharge from military service occurs after this period of time and after the offers made are turned down. In the course of this, complaints, perplexity, and claims of improper treatment do occur.

Comparing the loss of employment and group furloughs with the manner in which career military personnel are discharged indicates that servicemen have better terms. This is hardly surprising, because, for example, a company commander cannot immediately find employment in a similar civilian profession. Hence, many professionals exhibit fear of losing their jobs and finding new sources of support. This is exacerbated by the hardly favorable atmosphere surrounding former servicemen, despite there being no instructions or bans to this effect. Plasterers, welders, and plumbers have greater clout. The saying is that the former servicemen “have finally been put in their box.” The unemployed may obtain loans, which are granted in the amount of 20 times the unemployment benefit, to begin economic operations. Servicemen are entitled to such loans, but only reservists who have not become eligible for retirement pay. Given the difficult situation of the country, the army cannot be given preference.

#### Who Left and Who Should Have?

Last year, the trend towards a greater outflow of career servicemen from professional service in the armed forces became clearly apparent due to restructuring in the armed forces, as well as transformations in the socioeconomic life of the country. Thus, 11 percent, or 12,111 people in uniform, left the ranks of the army last year, whereas until recently about five percent of army personnel left annually. Almost one-half of those discharges were by personal request. The greatest number of discharges occurred among warrant and noncommissioned officers. Young and highly skilled people with growth potential, that is, enterprising, dependable, and capable, were a majority among officers. Such people will always manage. This happened to the considerable detriment of the armed forces.

At the same time, the percentage of discharges among career personnel aged 55 and over declined markedly. These people are reluctant to change apartments and places where they have put down roots for various reasons, which is understandable. We should take into account the fact that for people retiring at this age it would be particularly difficult to find an additional source of support (meanwhile, the year 1989 and the beginning of 1990 have been a time of runaway inflation and a decline in the purchasing power of money). No

wonder that this group of career military personnel avoided retirement in various ways.

On the other hand, this blocks the natural path of advancement for younger officers. In many cases, this forces them to seek a discharge from the armed forces, quite frequently before they become eligible for any entitlements associated with military service.

#### A Regulation Does Not a Miracle Work, but...

Therefore, in many cases it has come, and still comes, to dramatic situations. For example, a gifted officer who has the rank of captain cannot be transferred to a higher service position because it is occupied, and presumably will not be vacated for a year. The captain's term on the transitional register runs out. He is half a year away from accumulating 15 years of career military service. He leaves the army with all the ensuing negative consequences of a social nature for himself and his family. He has one year to start working in a new job in order to support his family. Meanwhile, the army loses a serviceman in whom it has already invested heavily.

Due to the unfavorable qualitative structure of discharged career servicemen, a modified discharge policy...was introduced which mandated the discharge, before the end of this year, of the following:

- Officers who are over 60, except those who serve in corps with vacancies (medical, veterinary, chaplains, administration of justice and legal services), and those with academic degrees and titles who serve in research and development elements and military schools.
- Officers with the rank of colonel or lieutenant colonel who are over 55, provided they do not hold leadership positions.
- Officers who are over the age limit for their military rank (junior officers, 40 years; majors, 45 years).

This regulation was supposed to unblock career paths for young, promising, and highly skilled career servicemen. Until the end of September, the number of those discharged who were 60 and over increased by six percent, and those over 55 by 13 percent. In the first three quarters, the breakdown of discharges by military rank was as follows: officers with the ranks of colonel and lieutenant colonel accounted for 55 percent; junior officers (up to captains inclusive) accounted for 32 percent; majors accounted for 16 percent; and generals for 0.5 percent. It should be mentioned that as few as 27 percent of the officers were discharged at their own request.

#### Interesting Comparisons

It turned out that only 10 percent of the more than 12,000 discharged from the army last year served in units affected by restructuring. In addition, a precise analysis showed that three-quarters of the servicemen affected by restructuring were placed in the service. Therefore, the increased outflow from the army occurred



mainly due to financial conditions, uncertainty with regard to one's future in the army, as well as competitiveness of the civilian labor market.

Along with a reduction in the number of career-serviceman positions due to restructuring, the degree of filling them declined further (!) to 82 percent. This mainly involves unfilled positions of platoon and company commanders. It should be noted that last year officer cadets from the SPR [Reserve Officer Cadet Schools] left the positions of platoon commanders (12 percent of staff). This gap was not filled by the graduates of officer schools.

This phenomenon will get worse because many cadets gave up military training, being apprehensive about employment after graduating from a WSO [Higher Officers School]. The number of candidates for military training is also declining. Characteristically, those who are leaving should be staying—the best educated and resourceful, those who will manage, and who would have been the most useful to the army in the future. All of this is augmented by the negative consequences of pacifist movements influencing the young people. We may only speculate what the consequences are going to be for the future army. Typical combat units face the most difficult situation in filling positions.

#### **A Shortage of Noncommissioned Officers**

In this corps, only 60 percent of the positions are filled. This also indicates the poor competitiveness of the profession of career serviceman. As recently as 1988, 2,000 candidates a year were nominated to noncommissioned officer positions, whereas this year only 700. The magnet attracting people to the army is weak.

In addition, there is the issue of military retirement benefits which the Ministry of Labor and Social Policy wants to be on par with civilian ones. In some specialties, such as communications, radio equipment, and the navy, only 40 percent of noncommissioned officer positions are filled. Perhaps, we do not have to explain how this affects the combat capability of the armed forces. These shortages are particularly apparent with regard to the positions of company commanders due to the difficult nature of service.

#### **Who Else Will Leave?**

Career servicemen under the age of 35 are primarily the ones seeking a discharge from the military service. At this time, they still see an opportunity for themselves to get ahead. Most frequently these are specialists. What about the command element? So far, the institute of commander commissioners has been introduced for the management of surplus personnel from units affected by restructuring and to also help those discharged from the army. They have exact data on those leaving and on employment opportunities for them. In addition, they organize training on the initiative of those interested. There are appropriate funds available for this.

Let us start with generals. As of the beginning of the year, the army had 148 generals and 528 billets for generals. This year, about 40 generals will leave. We may compare the number of generals with that of career servicemen and those in basic service in other armies, though we have a different structure of professional service. Before restructuring, our rate of professionalization was 33 percent; the target for the year 2000 is 46 percent. Work is under way on changing the structure of the army from the point of view of staff positions for junior and senior officers and on making the headquarters and headquarters offices leaner.

Nonetheless, let us compare statistical data on the number of generals. In the United States, there is one general per 270 officers and 2,000 soldiers. In the FRG, it is 190 and 2,200 respectively; in Spain 150 and 1,200; in France 70 and 800; and in Italy 60 and 800. In our country, there is one general per about 2,200 soldiers, or as many as in the main NATO states.

#### **More Lieutenants, Fewer Colonels**

This slogan is very powerful not only in civilian life but also in the army. An occasion has come up to relieve pressure for staff positions and to give opportunities to a great number of career servicemen. The reluctance of personnel to take positions in other garrisons is also a factor favoring this approach (certainly, there can be no automatic approach in this matter, despite an instruction on age [limits] for specific military ranks being in effect).

It was exactly the current restructuring that brought this into particularly sharp focus. Military authorities did not resolve to transfer people from one garrison to another arbitrarily, giving everyone the right to decide whether he accepts a given service position. There is no concealing that every move means high financial costs, the lack of housing at new places of service and dim prospects for obtaining it, difficulties with finding employment for wives and slots in day-care centers for children.

This phenomenon affects mainly the cadres in the so-called middle. There are primarily captains, majors, and lieutenant colonels in the middle; lieutenants are few. They already have a specific idea of the service, certain professional accomplishments, and have attained minor stability in their lives. Positions in this middle are completely filled. A specific job may only be offered when someone is discharged.

It may be said without exaggeration that competition is the keenest within this group of career servicemen. Nonetheless, people are not discharged automatically due to exceeding the age limit for a given military rank (there has never been such an instruction in this matter; instead there was a reference to closely reviewing professional fitness and accomplishments in the line of duty). Have there been cases of treating people without objectivity, discharging a captain just because he is over 40? Have they gotten rid of undesirable people in this

manner? Or created positions for so-called good old boys? This could have happened; such is life.

#### **In Headquarters Offices**

The target is to reduce their strength by one-half. The new law on retirement benefits may completely upset this restructuring process because it encourages the longest possible tenure in the service. Meanwhile, the army is a peculiar institution to the point that it becomes absolutely necessary to discharge people from the service beginning as early as the age of 40 to 45 due to mental and physical requirements. How can one imagine a

battalion or company commander who is 65? Are we to be an army of oldsters or a resilient organism capable of doing battle?

Will there be people willing to endure all the sacrifices entailed by military service in the absence of adequate guarantees in case it becomes necessary to leave the army? All of this should be taken into account by people who make decisions on the future of the army, its condition, development prospects, and a search for worthy individuals.

As it is, it is easy to disband the army and score a one-time propaganda coup. It is more difficult and costly to build it up to at least its previous strength.

## BULGARIA

**Lack of Success of Duty-Free Zones Analyzed***91BA0041A Sofia DUMA in Bulgarian 11 Oct 90 p 4*

[Article by Krasimir Tsigularov: "Duty-Free Zones at the Moment Free of Anything Whatsoever"]

[Text] In little more than three years, 12 million leva have been invested in the Ruse duty-free zone. Normal communications and appropriate infrastructure have been developed.

According to the director of the Duty-Free Zone Enterprise in Ruse, Yordan Kazakov, the firm is in a position to be self-supporting and, starting next year, to be self-financing, too. Yuri Botev, department chief in the Ministry of Foreign Economic Relations, asserts that this is the zone that has some chance of success. The other four at present have not emerged from the fog of the 1987 ukase by which they were created.

The four zones—in Vidin, Plovdiv, Burgas, and Svilengrad—are still laying plans and seeking funds to get somewhere. The Vidin swamp has already been "crossed." The ground there has been filled in, and construction has started. But the state funds are exhausted, and it still is not clear where the rest will come from.

In Burgas the zone is a joint stock company. The shareholders want dividends. There are no dividends.

As for the miraculous results loudly proclaimed after the issuance of the ukase, there are none. There have been hundreds of conversations with firms with written and oral offers. Most of these firms have not shown up again on our bank of the Danube. This, despite the fact that, according to the research paper published this year of the Economic Research Institute in Hamburg on "Commercial and Special Economic Zones in Eastern Europe and China," Bulgaria has gone the furthest of the East European countries, as far as legislation is concerned.

The Ruse zone's two years of actual activity have manifested to the specialists there the total isolation in which we found ourselves. There is a lack of interest in joint business with Bulgaria. Very often matters have not even gone as far as conversations about prices, tariffs, and terms.

The duty-free zones were set up in a period when the approaching crisis was already at the door. The increasing foreign debt and inflation, the clumsy and hopelessly bureaucratized administrative structure—with a centrally planned, regulated, and controlled economy—given such "impedimenta," the obstacles in the competition for foreign investments can hardly be hurdled.

It is small comfort that, in our neighboring countries, analogous economic structures have not achieved special results. There are several hundred free zones worldwide.

The first of these, set up in Europe, have already passed their hundredth anniversaries. Asia's powerful export potential today is due in large measure to free economic zones. Millions of new jobs are created in them, and more than half the foreign-currency income of countries like Taiwan is due to such zones.

Yordan Kazakov asserts that the zones are one of the possible ways of energizing our economy, of creating a climate of investment enterprise, and of increasing exports. Not only must easier conditions be created for foreign partners, but incentives must also be created for the entry of Bulgarian firms, including private ones, oriented toward exports. At the same time, he takes into account, for example, the \$2 billion invested in Dubai and his own \$12 million, as well as the "time" factor. World experience has shown that the development of such a zone requires at least five to seven years, in addition to investments.

The demand for speedy results may bring many unpleasant surprises. A country with a market economy should offer services in a duty-free zone, Yuri Botev asserts. The question to be weighed, however, is when and how many. Today new obshtinas insist on setting up free zones in spite of warnings. I wonder, though, whether they will not withdraw later on. In Burgas, for example, the zone received an impossible terrain—remote from the sea, no communications, and no infrastructure. The obshtina can gain, though, not only the foreign currency that is remitted to it, but also from the training of specialists, from the provision of jobs, from improvement of the infrastructure.

The obshtinas now offer panel houses, poor roads, poor hotels plus miserable amenities, unsightly landscaping, ecological problems, difficult connections with the center, a lack of provisioning, and a lack of recreation opportunities. Unless all this measures up to world standards, it is naive to think that there will be any results.

Nobody in the world fails to respect working with ukases. The lack of a firm normative basis, in principle, repels business. And that is why the club of duty-free zone directors, in operation for several months now, has undertaken to formulate and propose such a law.

"Yet even the most promising law, without political stability, will bring us nothing good," asserts Yordan Kazakov. All over the world the state supports such structures, though they may not be state structures but joint-stock-company or obshtina structures. During the startup period, major investments are simply beyond the powers of an individual firm or of the zone itself for that matter: In the Asian region, the outlays per square kilometer are as much as \$25 million to \$40 million. The 100,000 leva guaranteeing state participation at Burgas, Plovdiv, and Svilengrad are hardly a basis for great expectations.

The easier regime in this unique extraterritorial area of the country is completely unconnected, though, with the

paradox of dual control. Dual control is provided for in the ukase but, for the time being, is in effect only in Ruse. There, in addition to the economic enterprise, there is also an administrative control echelon, supported by the budget and subordinated to a different ministry. The administrative control personnel is larger than the enterprise's personnel, and their functions are duplicative, including the functions of the Customs agents. Nobody is able to give a rational explanation of how the paradox came about, but, like every structure born of the administrative system, it too is hardy, and nobody has succeeded in abolishing it. Although it would make sense in Hong Kong, given our local modest scale, it makes none.

In principle, the problems of each zone are strictly specific and could hardly be generalized. At Ruse there is production, and the warehouse facilities for the present are not deserted. But both there and at Plovdiv, second-hand cars are sold on the parking lots—an occupation by no means specific to or suitable for such a zone. Serious business has not yet started.

## CZECHOSLOVAKIA

### Deputy Minister Explains Small Privatization

91CH0057A Prague OBRANA LIDU in Czech  
12 Sep 90 p 3

[Interview with Jaroslav Muron, doctor of law, deputy minister for national property administration and privatization, by Vladimir Marek on 10 September; place not given: "Dreaming of Golden Streets"]

[Text] The deputy minister for national property administration and privatization, Jaroslav Muron, doctor of laws, looked somewhere off into the distance with his eyes partly closed. He was probably imagining Kotce street and other gloomy little streets in the center of Prague full of small shops, boutiques, pleasant cafes, wine bars, pizzerias, and salons. That his dream is not as unfeasible as it might seem is indicated by the draft law on small privatization that lay on his desk at this moment. So we began to dream a little bit too, and started leafing through the law.

[Marek] What does small privatization encompass and could you explain the difference between large and small privatization?

[Muron] Small privatization is clearly defined by the law. It is the first regulation governing the transfer of state property into private hands. The law provides a general definition of the property to be privatized in the first stage. This process is governed by two criteria. The first concern should be property concentrated in small government enterprises that can be broken up into independent units. The second selection criterion is whether or not people will be interested in the property. Everything not covered in this first stage will be handled during large privatization.

[Marek] Can you be more specific about exactly how many stores, restaurants, and small operations will be privatized?

[Muron] We do not have precise numbers yet, but projections call for several tens of thousands of entities.

[Marek] Has it been definitely decided yet whether cooperative property will be included?

[Muron] Our ministry can deal with laws that handle the privatization of only government property. Nevertheless, we maintain close contacts with the Central Cooperative Council. We have agreed that the principles contained in the small privatization law will also be used for the privatization of cooperative property. There is one difference, namely that cooperatives can skip the first stage, namely denationalization.

[Marek] Can we assume then that cooperative facilities will be auctioned off at the same time as government entities?

[Muron] Small privatization will certainly be more than a one time project.

[Marek] Originally there was talk of holding all auctions on the same weekend, to restrict speculation...

[Muron] Yes, but this turned out to be technically impossible. Currently we expect the process to last several months.

[Marek] What then will prevent speculation, the buying up of multiple operations by the same person?

[Muron] We would not avoid a certain amount of machination even if we held all the auctions on the same day. Immediately after the auctions purchase contracts will be drawn up and signed, which will provide us with some measure of control.

[Marek] Small privatization is supposed to be started this November. Are you going to meet this ambitious deadline?

[Muron] I think so. The date of 1 November for the start of small privatization is completely feasible.

[Marek] Before the auctions take place, reprivatization must occur, i.e. the return of certain property to its original owners. Won't this mean postponing the auctions until the spring of next year?

[Muron] Currently the Federal Assembly is debating a law concerning compensation for the consequences of certain property crimes. It is the first law to allow the return of property taken by the previous regime under the so-called liquidation of the last vestiges of the private capitalist base. We are doing everything in our power to see that this law is passed in the next few days.

[Marek] Don't you think there is a danger that the time pressure will result in errors, in the auctioning of property that will then be claimed by the original owner?

[Muron] There may be mistakes, certainly. The legal system, however, has enough mechanisms to correct them.

[Marek] The asking price at the auctions is supposed to be 50 percent of the residual value, or 20 percent of the acquisition cost. Nevertheless, many are afraid that because of the general shortage of nonhousing space the final prices will be quite high...

[Muron] This question remains unresolved. The asking prices previously announced are no longer valid. There is a view, you see, that a minimum price should be set for which the government is willing to sell its property. After all, we are not trying to sell operations at any price. We want the auctions to soak up the excess purchasing power of the general public. The auctions will also, therefore, have a certain anti-inflationary objective as well. But to answer the main point of your question, the view exists that the final prices of auctioned operations will be approximately equal to their residual values.

[Marek] The new owner of an operation assumes responsibilities for the employees. But what about the goods remaining in the warehouses or on the shelves?

[Muron] The new owner becomes responsible for these as well. Their value has been calculated in the price.

[Marek] What will be done with auctioned facilities that no one expresses an interest in?

[Muron] As long as the government enterprise does not fall apart, it will take care of the operations that are not auctioned. Otherwise the store or restaurant can be offered to other organizations or citizens. Such an enterprise might end up being liquidated, however.

[Marek] Will the auctions have mechanisms to prevent people with no interest in purchasing a property from bidding up the price?

[Muron] A purchase contract will be signed with the new owner immediately after the auction. If that person does not put down the necessary deposit within the established time frame, the contract is invalid and the purchaser will be fined.

[Marek] How dense a network of auction centers will there be?

[Muron] Individual regional commissions will form an auction division. These divisions will work under national committees in villages and towns. Our intention is to bring the auctions as close as possible to the facilities themselves. We want interested parties to be able to get to know the property to be auctioned. Our estimates suggest that there will be about 1,000 such auction divisions in the Czech Republic.

[Marek] Auctions of real property are something completely new for us. Where have you found enough people with the means to assure their seriousness?

[Muron] You are right, the current legal code does not provide for auctions of real property. The law on small privatization will therefore have to contain at least the basic standards for auctions. Our ministry is also considering publishing a detailed auction code that could serve as a kind of cookbook. We are also planning, if the resources are available, to train fully the managers of the regional auction commissions.

[Marek] Many new owners will have their own ideas about their new acquisitions. Not every one of them will want to produce the same product line. Could this not break up the retail trade network?

[Muron] We believe that at the beginning we have to assure the sales of basic foods. Therefore a period of time will be established for which the new owner will have to continue producing the same product line. No one else will be affected by this law, however.

[Marek] How do you plan to prevent, for instance, unprofitable repair shops from being turned into wine bars and bars?

[Muron] We have no reason to prevent such a change.

[Marek] Normal citizens will pay the price for this though. After all they cannot get by without these services...

[Muron] This question has to be answered in the overall context of the planned reforms. Economics will rule the market. We need direct the market only to the extent of supporting activities necessary for the society.

[Marek] Employees will be able to use interest free loans at the auctions. They will also be able to sell the auctioned restaurant or store the next day. Doesn't this give them an unfair advantage, and provide room for speculation?

[Muron] There have been some changes to the law in this area. We want to prevent the movement of this property for a few years, for just the reason you have mentioned. The questions of advantages for employees is still under discussion. According to some of my coworkers everyone should have the same starting line, an equal chance. On the other hand are the professional interests of the enterprise employees. These people think, sometimes with justification, other times not, that since they have worked in a place for 20 years they should have an automatic right of first purchase. I personally am inclined to the first view, that everyone should have the same conditions. It is no secret after all how things look today in public eating and drinking establishments and stores. Why not give a chance to those who have been on the sidelines so far, but want to take a chance?

[Marek] Won't small privatization take the wind out of the sails of large privatization, by soaking up most of the available savings...?

[Muron] I don't see it this way. For the most part the people involved in small privatization will be those who

like to roll up their sleeves and be directly involved in the delivery of goods or services. Large privatization will be almost exclusively concerned with stock ownership. Moreover, people who buy smaller businesses will be able to make money that they can then use to participate in large privatization.

[Marek] How much do you expect to gain from the auction of these facilities?

[Muron] Any estimate at this time would be very imprecise. Also, we are not concerned with the money. A moment ago I stated, remember, that we want to soak up certain financial resources, but that is only an auxiliary goal of small privatization. Its main objective is to put businesses in the hands of people who will care for them as real owners.

[Marek] There will still be an immense transfer of money. Won't this threaten the banks and savings institutions?

[Muron] We are assuming that one of the priority uses for the resources that we gain through privatization will be to strengthen the credit function of banks.

[Marek] People not employed in a business that they purchase must put down a deposit within three days. This seems to us a suicidal deadline that will put immense pressure on banks and savings institutions.

[Muron] This is another fragment of the original proposal that is being reevaluated. I think that people need to be allowed much more time for these financial operations.

[Marek] Small privatization is reserved for Czechoslovak citizens. Is it possible to prevent foreign capital, through intermediaries, from controlling the auctions?

[Muron] Speaking frankly, it is impossible to eliminate this capital entirely. It will be difficult for us to prevent the illegal movement of hard currency from relatives and friends abroad.

P.S.: This interview with Mr. Muron took place on 10 September. The production schedule for our daily has made it impossible to get it into print sooner. At the same time, small privatization involves so many burning and frequently discussed issues that there have been several small and large changes in the text of the law. The answers provided by Minister Muron should therefore be taken as the views of one of the framers of the small privatization law.

### Privatization of Agricultural Cooperatives Proposed

91CH0057D Prague ZEMEDELSKE NOVINY  
in Czech 22 Sep 90 p 7

[Article by Eng. Karel Burda, chairman of the agricultural cooperative reprivatization and privatization commission for the Czech Republic Ministry of Agriculture: "Proposal for Privatizing Agricultural Cooperatives"]

[Text] If we want to successfully privatize agriculture we have to think of it in its functional entirety and not just in terms of capital. In other words, every hectare of agricultural land (forests and bodies of water) are clearly an inseparable part of agricultural operations. Everything that has been built, purchased, or otherwise acquired has resulted from land management. These acquisitions have been made to facilitate land use, and cannot be separated from the land. Considering them as separate from the land contradicts the very principle of agriculture. Making such a distinction can only harm agriculture.

How to proceed, then?

Clearly, land must be privatized first. We have proceed with this rapidly and magnanimously. We must return not only land that was taken illegally, but also all land that was given to the government without regard for whether the owner wants to manage the land himself, lease it, or sell it. After the land is reprivatized the owners can decide for themselves if they want to manage the land as independent farmers, leave the land as a contribution to an agricultural cooperative [ZD], or lease it.

If an owner decides to work his reprivatized land independently he has a right to all operating and fixed inventory that was confiscated without compensation. This property will be returned either by the organization that confiscated it, or by its authorized representative. Legal representatives of those from whom property was confiscated also have the right to that property. Compensation should be made in items of the same or comparable type, quantity, and quality. If this is not possible, compensation must be monetary at the price levels current when the right is exercised.

What about land that remains under ZD control? Land ownership laws will determine the relationship of this land to the ZD. The relationship needs to be dealt with in a transformation law. The issue for ZD is not reprivatization, but the denationalization of agricultural cooperatives. The transformation law must clearly establish that ZD members are only those who have associated land that they own with the ZD, and that they work the land. This supremely just legal act will turn the remaining, de facto state ZD's into ownership ZD's. After the law takes affect cooperative members can elect their administrative offices (administrative council and supervisory commission) and adopt new statutes. This

transformation will assure the true privatization of ZD without uncertainty, stress, and chaos.

Remaining current ZD employees will become employees with full rights and responsibilities contained in the labor code. Issues of ZD size, organization, and activities will be under the full control of the new ZD offices.

Landowners who leave their land under ZD control but do not work in the cooperative, will specify their relationship with the cooperative with a rental contract. This will complete the legal definition of all ZD members to cooperative activities.

This proposal covers the most easily implementable form of ZD privatization as well as other complex problems in villages.

Some may object that current ZD members who do not own land may be damaged by such a transformation law. Absolutely not! Everything in agriculture comes from land use. Those who do not own land contributed no land to the cooperative, and have been, and will continue to be, paid regularly for their work on the land. Those who might feel slighted are rather those who own land. My view is that this proposal is the most just possible in the sense that it can be implemented easily and rapidly.

Associated production operations of ZD present another situation. This does not cover associated production performed sporadically using equipment normally used for agricultural production. Such work belongs in cooperatives, is needed in rural areas, and has always been performed by farmers.

What is of concern is associated production that looks more like industrial activity. For the most part, cooperatives got involved in these activities after the sharp production cost increases that followed the senseless free mergers of after 1975. This kind of associated production could be set up only by demonstrating that it was funded with investments redirected from agricultural production, which in effect temporarily impoverished agriculture. In most cases, though, these operations became profitable, generating resources for reinvestment in agriculture. These kinds of activities should be privatized by the cooperatives, just as any other industrial activity or service. Alternatives include turning these operations into corporations, renting them on a long term basis (leasing), or creating economic cooperatives with individual memberships. This will separate agricultural production from industrial output, and return to agriculture its true identity.

### **Agricultural Privatization Process Outlined**

91CH0057F Prague ZEMEDEL'SKE NOVINY  
in Czech 11 Oct 90 p 7

[Article by Eng. Miroslav Jirovsky, chairman of Suchdol agricultural cooperative, Kutna Hora: "Procedure for Dividing Up Cooperative Property"]

[Text] The market value of agricultural cooperative [ZD] property presents a serious problem for the denationalization and privatization process. Evaluations based on costs are not appropriate for a market economy. I am therefore proposing a subjective consideration as of 31 December 1990, with the provision that any reserve created by an eventual market evaluation will represent the value of actual cooperative property. In the future the market value of some farms will be established, but never at the expense of member shares.

I propose to distribute cooperative property in two stages. The first stage will involve the distribution of property from the founding of cooperatives through the final merger (1970-78), once for each cooperative. When cooperatives were founded, private farmers entered them with contributions of land, operating, and fixed assets. Land was placed under common use without compensation, although ownership rights were maintained. Necessary buildings were taken for cooperative use without compensation and gradually returned, with some still being used to this day. The contributed operating and fixed inventory was allocated as follows: 20 percent was transferred to the cooperative indivisible fund, and 80 percent was distributed to members, mostly as fully paid.

At this time certain economic decisions of national committees were imposed on cooperative management in the form of laws No. 55/1947, Laws of the CSSR, and No. 50/1955, Laws of the CSSR. The financial impact of these laws has still not been settled. Therefore we first have to account for this property, then deduct its value from the reported cooperative property.

Cooperative property gradually increased through land use, capital and operating assets, the work of members, and new buildings built with government subsidies. The character of cooperatives also fundamentally changed, mainly after 1 January 1976, under Law No. 127/1975, Laws of the CSSR, which emphasized the process of merging cooperatives, and as a result of significant changes in government pricing policy.

For this reason I propose quantifying all cooperative property in Stage I, then considering 50 percent of this value to represent agricultural land, with the remaining 50 percent divided among all cooperative members according to their labor participation in each year, using a uniform rate. Emphasizing the and share can be justified as follows:

a) In this period most members entered with land. This land was used without charge and no compensation was paid for it, even though the owner had once had to purchase it.

b) For the most part a required share of operating and fixed inventory was established for each hectare. This served as the base for calculating the required 20 percent contribution to the indivisible fund. We will transfer this to a member share, because there is no other documentation.

c) Member buildings were used without charge, so we want to use this process to provide partial compensation for this use to those who will not request that the buildings be classified according to the amount of use. If an owner requests repairs, I suggest that they be paid for out of his member share.

When establishing a share for labor participation in Stage I, I suggest allocating 50 percent of the property to individual living members based on their years of work at the united agricultural cooperative [JZD], without regard for their wages or work classification. On the one hand one cannot guarantee the availability of more accurate wage information, and on the other we want to grant some advantages to those who entered at the beginnings of cooperatives, when wages were very low. When calculating member shares we have to account for all land. Shares of cooperative members who have died and shares of church or government land can be transferred to a member shares fund that will be created. Cooperative administrators will use this fund to deal with special cases or to settle accounts with the government or the church.

Members who had property confiscated under Laws No. 55/1947 and 50/1955, must receive compensation, in addition to that for operating and fixed inventory, also for land and buildings at a per hectare rate that will represent 40 percent of the amount provided to cooperative members. We will not include allocations to the indivisible fund because property will be settled in full.

Stage II of cooperative property distribution will cover the period from mergers through 21 December 1990, i.e., through the introduction of a market mechanism. In this period I recommend distributing only 60-70 percent of newly formed property (if state subsidies account for more than 30 percent of the property, then an additional reduction may be in order), with the remaining 30-40 percent of undistributed property placed in the member shares fund. This amount will serve as a reserve against a decline in shares of cooperative members when cooperative property is valued at market rates.

I recommend distributing 15-20 percent of the remaining property to landowners, using the remaining 80-85 percent for paying bonuses to cooperative members in specific years, and for forming member shares. In addition, we should give some advantage to the shares of members whose buildings are still being used by the cooperative.

Members not working at the cooperative as of 31 December 1990 will be excluded from the distribution.

The regulations governing distribution of cooperative property must be approved by a member meeting, and member shares must be documented individually, by member. We suggest a minimal member share, which allows participation in decisionmaking and voting rights, of 10-20 percent of the average value of property falling to a single member. Likewise it can be required that a cooperative office holder must be a member

holding a member share equal to at least two or three times the basic member share.

Based on member shares a single ZD can be correctly divided into two or more additional cooperatives.

There are those who think that we can distribute only 20 percent of cooperative property. Who, then, would own the remaining property? I therefore consider this a half measure that has no place in a market mechanism. We realize that there is no third way between the market and central management.

I am offering this procedure as an attempt to bring agricultural cooperatives closer to the new conditions. It will set the groundwork for competitiveness with private farmers and farms operating under other forms of ownership. I believe that cooperatives will demonstrate that they are more efficient than private farms.

To implement this procedure the following relationships will have to be maintained:

a) Capital assets and sources of investment. The value of owned capital assets and investments must equal: Capital asset acquisition value plus incomplete investments plus financial resources for the investment account plus member shares in a cooperating enterprise minus ZP repairs minus ZP transfer obligations minus investment obligations minus investment credits.

b) Operating and other assets. The value of operating assets must equal: inventories plus financial resources at banks plus cash plus receivables minus loans minus payables minus unpaid contributions.

Beginning in 1991, distributing member shares will be easier. Each year the member meeting will approve an amount for paying out member shares to nonworking members or members leaving the cooperative. The member meeting can also decide to use profits to increase cooperative property. This amount is divided by total compensation for cooperative members. The share of everyone who worked during the year increases, based on his compensation multiplied by the member share coefficient, while the share of nonworking members is reduced by the paying out of member share status.

This system can be implemented, however, only if we honestly confront our past. Only this way can we look directly to the future.

## HUNGARY

### Background, Principles of Proposed State Budget Law Described

91CH0119A Budapest HETI VILAGGAZDASAG  
in Hungarian 25 Aug 90 p 76

[Unattributed article: "State Household Budget: The Framework Already Exists"]



[Text] The Antall cabinet intends to submit the newest version of the state household budget law to the National Assembly this fall. Planning of the original version began already during the Grosz years. The new law is to be applied for the first time in conjunction with the 1992 budget, a year later than planned by the Nemeth government. If the House agrees to the legislative proposal, the 1991 budget will be prepared according to the old rules.

The first state household budget reform concept was introduced in the parliament by the Nemeth government when political mediation began and when the state household budget law—one of several economic laws—was regarded as a subject to be discussed by the opposition roundtable. Thus representatives read the proposal but did not comment on it. Overwhelmed with its own concerns, the financial apparatus prepared several alternative budget proposals. These were introduced in parliament last December, but the rush of pivotal laws exhausted representatives leaving no strength to initiate formal debate on the budget proposal.

Having elected a president of the republic, with a local government law on the books, and after having amended the constitution, the government may at this point demonstrate its view of the governmental role in its brainchild: a democratic market economy. Obviously, this view will differ from what the predecessors had in mind. They directed, or thought that they could direct, the country based on the state budget.

It is no wonder then that the legislative proposal concerning the state household budget, as that was developed a long time ago by the apparatus, and which the Antall cabinet intends to submit to the parliament this fall, is the subject of heated debate. Some believe that there is no need whatsoever to include local governmental bodies, social security and various other funds in the state household budget. The parliament should provide by law only for the state budget. In contrast, Finance Ministry officials who prepared the budget bill profess that the information system supportive of the entire state household, including local governmental bodies, social security, and state guarantees should be provided for in laws governing the state household, because the national economy would become unmanageable unless one is able to see the full picture. At the same time they also recommend that the state household budget law provide a framework only, and that individual items, such as subsidies, taxes, and social security be provided for in separate laws. The size of the budget in any given year should be spelled out in the annual budget law. In their view, the state household budget is the single vehicle which can provide for the most appropriate implementation of state functions uniformly and publicly, based on correct data.

The proposal would substantially change the procedural rules. Just like any democratic parliament does, henceforth the National Assembly would vote confidence in the cabinet's economic policy by approving the budget. The budget will be debated in two rounds. On 15 August

of each year the cabinet would submit its budget concepts for the following year to the National Assembly, and ask the parliament to establish possible deficit limits. Thereafter, based on detailed recommendations submitted by various ministers, the cabinet prepares the budget for the following year, and submits the same for a first reading to the National Assembly by 15 October. A second round of debate takes place within 30 days after completion of the first round of debate. At this session the State Accounting Office, the control arm of the National Assembly, comments on the cabinet proposal.

As prepared by the experts, the present draft contains procedures not only for situations in which the House adopts the budget in a given year, but also for occasions when the country is left without a budget because the National Assembly failed to reach an agreement. In such instances, provided that the National Assembly and the cabinet are able to agree on continued operations, the parliament will frame a law for interim financial management, so called, failing that, the authority of the cabinet will be restricted to the collection of taxes based on existing laws in force, and to pay for items approved in the previous year's budget. In such cases the cabinet will not be able to initiate new programs.

The cabinet will implement the budget approved by the parliament, supported by the finance minister's preparatory and coordinating activities. The cabinet must submit to the parliament a legislative proposal for supplemental appropriations in the course of the year if the budgeted funds appear to be insufficient.

A provision which attempts to regulate the management of state property is a new feature of the legislative proposal. It tries to remedy the deficiency presented by the fact that from a practical standpoint thus far everything belonged to the state, and therefore no one knows today what actually belongs to the state. The bill prescribes that records must be maintained in regard to state property. The finance minister is authorized to exercise ownership rights over so-called treasury assets which directly finance the functions of the state.

Reforming the state household will be a lengthy process. Finance Ministry experts are willing to take the risk that some will regard the changes as technical changes only, nevertheless as a first step they endeavor to establish a comprehensive information system only which enhances openness. They claim that a parliamentary democracy stands or falls on the extent to which facts are known.

The state household budget law is slated to take effect on 1 January 1990 [as published]. Most of its requirements must be observed for the first time in the course of preparing the 1992 budget.

## POLAND

### Central Planning Office Minister on 1991 Economic Policy

91EP0057A Warsaw POLITYKA in Polish  
No 42, 20 Oct 90 p 4

[Interview with Jerzy Osiatynski, director, Office of Central Planning, by Jacek Poprzeczko; place and date not given: "What Awaits Us in the Coming Year: How To Join the Two Hemispheres"]

[Text] [Poprzeczko] CUP [Office of Central Planning] is preparing the framework for economic planning for 1991. As far as I know, this work is advanced to the point that I can ask: what awaits us in the coming year?

[Osiatynski] Our plan is basically complete. It is true, it has not been coordinated with all the ministries yet, and another variant is also being prepared, nevertheless I believe that it is possible and worthwhile to present its basic elements now. We should begin with the fact that its shape was affected by the starting point or the situation set up by the results of the former economic policy. Among its undoubted successes are the curbing of inflation, departure from administrative divisiveness and, in general, [departure] from administrative instruments that affect the economy, leaving behind an economy of shortages and the corruption in production and trade coupled with it, ending the double monetary standard and a recovery of the zloty; also, there is the creation of institutional frameworks in the market economy. But we cannot speak only of successes.

[Poprzeczko] At the same time, there is a basis for reproaches addressed to CUP. The discrepancies between the predicted levels of national income, production, inflation, unemployment etc. and the actual situation are striking. In this connection, it is said that either the numbers cited in the prognosis were deliberately lowered in order not to frighten the public or that CUP and other institutions did not know how to make proper computations. Against this background, doubts may also arise with respect to the expectations and the framework now being formulated.

[Osiatynski] It is true that there were great differences between all the predictions prepared at the end of the past year and even at the beginning of this year and the numbers actually reflected in the economy. This pertains also to the CUP predictions. But I can assure you that there were no attempts in working them out to deceive the public in order to ameliorate the psychological shock. That would be something to which I personally would be very much opposed and which would completely disqualify this office.

There are three principal reasons why we did not foresee such a significant rise in prices and drop in production and employment. First, we were dealing with very complicated forecasting material. Speaking simply, forecasting depends on projecting into the future—with

suitable corrections—the trends that are already acting on the economy. Foreseeing how an economy that is subjected to shocking changes will behave is incredibly difficult; econometric models in such cases are deceptive.

Second, we underestimated the degree of monopolization of the Polish economy, the persistence of monopolistic structures and the behavior resulting from this. To the decrease in available funds, enterprises reacted mainly with pleas for additional money, limiting production and employment, and increasing prices. Adaptive reactions aimed at decreasing costs and lowering prices or at least curbing their rise and reclaiming the lost market came later and on a smaller scale than we anticipated. But please note that this curbing of prices did take place, the inflation index rose sharply at first, then began to drop. Our forecasts as to its dynamics were proven to be roughly correct but at a higher level of prices than we anticipated.

Third, when the forecast was made, the tools of the stabilization policy in 1990 were not finalized and the policy itself was subject to changes.

I will also add that at the end of May and beginning of June, we corrected the forecast, recognizing that for the whole year, the drop in production sold commercially would be approximately 30 percent that of the preceding year. According to our most recent estimates, this drop will be somewhat smaller, in the order of 23 to 24 percent.

[Poprzeczko] How do other numbers shape up at the end of the year, what will the state of the economy be?

[Osiatynski] In fixed prices, the national income for the whole year will be approximately 17 percent lower than in the preceding year, and disposable income will be approximately 23 percent lower since we have a considerable and growing surplus in foreign trade. We spoke of industrial production; agricultural production will be approximately two percent higher. It seems, however, that the increase in reserves this year will be the same as last year (we had previously estimated it to be lower). In view of this, our present corrections will not affect the estimate of consumption and investment. We estimate that consumption will drop by approximately 30 percent and investment, by approximately 18 percent. I would like to add—not to make the picture brighter, but in the interest of truth—that the computation methods we use result in a decrease in the statistical level of consumption compared to the true level; in this specific case, the difference may be in the order of one to 1.5 percentage points. These estimates do not take into account the sphere of unofficial economic activity, the so-called second cycle in the economy which has existed, exists, and probably will exist, but notions of its size have a flimsy basis.

By the end of the year, we expect that unemployment will be in the order of 1.1 to 1.3 million people. To complete the picture, let's add that the balance of payments increased substantially and currency reserves

increased. A surplus in the State Budget and in the accounts of unappropriated funds has been maintained for many months. In the latter areas, there was actually a plus difference from forecasts, but with a budget surplus, this is not at all advantageous for the economy.

But perhaps the most important problem remains the fact that we must always deal with an economy that is monopolistic to a significant degree, in which structural and ownership changes have scarcely begun.

[Poprzeczko] In which direction will we move from this point of departure?

[Osiatynski] Let us remember first that as early as at the end of June, the government made an important revision of the economic policy. It depended on an easing of financial limitations, a broadening of access to credit, allowing greater subsidies to agriculture, and for restructuring the economy. We moderated the tax schedule for above-average salaries. This was accompanied by the fear that an increase in income would raise the inflation index, but fortunately this did not occur; instead we noticed a certain acceleration in production.

We meant to continue this policy, or one a little more rigorous, to the end of the year. But here we got three shocks of which two, the Iraq matter and the lightning-like unification of Germany, were unexpected, and the third, stronger than expected. Obviously, I am referring to the transition to convertible currency and world prices in trade with CEMA countries.

[Poprzeczko] It was difficult then, but later it began to improve somewhat, and now it has become even more difficult. In connection with this, what will the economic policy goals be in the coming year?

[Osiatynski] I will tell you how we look at this at CUP; it's natural that in such a complex situation differences in conceptions appear. The costs of stabilizing the economy, the drop in national income, production, etc., were greater than anticipated, and now additional burdens appear caused by the international conditions mentioned above. The danger is very real that the trend toward economic revitalization that was evident will be broken. We cannot let this happen, we cannot allow, for example, for industrial production in the first quarter of the coming year to drop by more than 10 points, and for unemployment to exceed 2 million. I believe, therefore, that we must apply more effective incentives than before for undertaking and developing production, for creating new work places, while retaining our achievements in curbing inflation and regaining equilibrium.

[Poprzeczko] Some believe that the simplest means for revitalizing production would be to eliminate the tax on above-average salaries.

[Osiatynski] You know, sometimes I cannot avoid having the impression that people who propose only this have brains in which the hemispheres function independently of each other. One hemisphere has the firm

conviction that eliminating this tax would make it possible to pay more for increased production, which would revitalize the economy, and the other holds the equally valid idea that this is an economy in which monopolistic rules of the game dominate. If, however, there is no pressure from competition and if we were to eliminate the extra compensation, what would keep the monopolistic producer, state or private, from raising wages and transferring the cost of this to prices without an increase in production? I believe that the truth lies somewhere in the middle, that a certain revitalization is possible in this way, but I would advise caution.

[Poprzeczko] What then does CUP propose to make things no worse next year than they are this year?

[Osiatynski] The framework we have developed pertains to three main areas: structural ownership changes, the industrial and agricultural policy, and the income and social policy. As far as the first area is concerned, we believe that programs must be developed with respect to restructuring some sectors or branches of the economy and that the state must support their implementation, for example, granting credit guarantees.

[Poprzeczko] Sector programs? There was a multitude of such sector, branch and department programs; the state supported them with all its might, and now we have various developed sectors from mining to motorization with which we don't know what to do.

[Osiatynski] Then, actually, something must be done with them, with mining, with steel manufacturing, with motorization as well as with communications and telecommunications. These programs will give enterprises directions on making investments. Should we, for example, modernize the Katowice Steelworks and let others go or vice versa? The enterprises will then be able to present adequately based investment programs and obtain foreign credits guaranteed by Polish banks. Credits of the World Bank in the amount of \$1.2 billion intended for various areas are available for this purpose. But using them is connected specifically with the development of adequate programs.

[Poprzeczko] Who is supposed to prepare these programs? The government?

[Osiatynski] The development may be entrusted to foreign experts, which is already being done in part, for example in the steel industry. Groups of Polish enterprises, state and private, should also participate in this. Agricultural organizations should undertake this for agriculture. There is no single rule, the approach to specific branches and the methods of solving their problems must be various. There are branches in which development has almost disappeared and these may be left to market mechanisms, but there are also those where programs helped by the state are indispensable, which should, in the process of restructuring, benefit from credit improvements. This pertains to production

for export, reconstruction of the infrastructure, petrochemical and gas conversion, or restoration of the natural environment.

[Poprzeczko] With what other kinds of methods would you save the economy? Generally the government still maintains the line that the less interference, the better.

[Osiatynski] First of all, I would ask you to remember that the means that we propose are within the logic of a market economy. They also include undertakings that will support export. There have been, as we know, bad experiences with the Export Development Fund which served mainly to subsidize export to socialist countries. This fund will be liquidated and the resources will be transferred to the budget. But why should the budget not guarantee credits connected with export production? Such guarantees are applied in all market economies that I know. It should not be necessary to subsidize export, but we should not turn our backs on exports, especially small exports, without trying. We could help them in various ways, for example, by sponsoring their participation in fairs or exhibitions.

By credit guarantees, the Agency for Restructuring the Economy could support the development of small enterprises and undertakings to limit use of energy and materials. The Polish Development Bank, founded on the basis of State Treasury funds and foreign capital, will issue credit at advantageous rates for the introduction of new technologies and research on the introduction of new products. These are all activities that stimulate production and employment and they are used in market economies without engendering an outburst of uncontrollable inflation. The market will not solve everything for us, especially such a market and in such an economy as exists in Poland today.

[Poprzeczko] How do you see still other possibilities for limiting unemployment?

[Osiatynski] We should not, because of doctrinal considerations, give up such tools as, for example, granting

credit guarantees to enterprises that will create new work places. Such enterprises should also be allowed to take advantage of reduced rates and tax exemptions. Obviously the term of such reduced rates would have to depend on the state of the budget. We are concerned, of course, with stimulating revitalization without stimulating inflation, but we must not give them up simply for the sake of the purity of principles.

[Poprzeczko] What do you think can be done for agriculture?

[Osiatynski] We want to ensure adequate funds for the activity of the Agency for Agricultural Marketing. We believe that credits for the purchase of agricultural products and seasonal reserves should be subsidized. As in this year's budget, we must provide for subsidized credits for financing biological progress, purchase and initiating cultivation of land, combination of farms, and construction and reconstruction of infrastructure equipment in the villages. The possibility of drawing on mortgage credit for farm modernization should be developed. We must also, as we are doing at present, subsidize the financing of social insurance for farmers.

[Poprzeczko] That brings us to the last area which you mentioned, income and social policy.

[Osiatynski] Limiting subsidies to prices and the price policy in general should be coordinated with the income policy in such a way that it would not add another half million charges to Minister Kurion's rolls. Excessive limiting of subsidies, for example, to the municipal and housing economy might result in, let us say, one-third of the households requiring grants. In general, it is a problem of income distribution in the community, which is connected with other questions that I have touched on. We cannot let a situation develop in which those who work get adequate income, but a great many people are dismissed from the sphere of work and sentenced to grants. This would have fatal social and political consequences.

[Poprzeczko] Thank you for the interview.

## BULGARIA

**Structure, Methods of Organized Crime Analyzed**  
*91BA0051A Sofia TRUD in Bulgarian 14 Sep 90 pp 1-2*

[Article by Dimitur Statkov: "The Bulgarian Octopus; Organized Crime That, Until Yesterday, We Denied!"]

[14 Sep 90 pp 1-2]

[Text] Literally until last summer, the existence of any kind of organized crime in our country was officially denied. However, faced with irrefutable facts and pressed by circumstances, the responsible authorities have finally decided to include the study of this problem in the agenda. Nonetheless, nearly six months had to pass before the idea would be "legitimized," given the inertia that exists within the militia system. The problem begins with the smuggling of foreign currency, in which the existence of organized crime is most clearly manifested. Actually, the long-term target of the initiators is to master this phenomenon in all of its dimensions and, after making it public knowledge, counteract in an organized and efficient way.

Vyacheslav Dimitrov and Dimitur Velkov are operatives of the Economic Department of the Sofia Internal Affairs Directorate. What I learned from them is worth being known by our entire public.

A variety of definitions of organized crime, most of which are essentially the same, exist in countries where such crime is highly organized. In our country, two basic definitions have been adopted. The first, which is a Soviet "patent," reads as follows: "Organized crime is a certain sum of durable associations with a hierarchical structure, engaged in criminal activities as the main source of their income, and creating, with the help of corruption, a system to ensure their own security." The second, whose "trademark" comes from overseas, includes several more stipulations: "Engaging (in criminal activities—author) with the help of threats or violence and maintaining connections among several groups of criminals, based on the functional division of activities."

One does not have to be a criminologist to find out that, based on what we said, our own reality confidently duplicates the "leading global experience." The fact that we are somewhat late in making our own drafts is solely our fault. Naturally, this does not mean that all of this has already been lost, or that nothing is being done. The proof of the opposite, as I realized myself, is found in the elaborate structural systems of the variants of criminal groups that exist in our country, the computerized processing of data, the prepared studies of the current situation, and the specific plans drafted for the struggle against this phenomenon. Suffice it also to mention that our economic militia deserves credit for the recently publicized case involving Kiril Rashkov from Katunitsa, whose criminal groups earned through their contacts abroad more than 15 million leva until they were

exposed! Following this remarkable start, which took place several years ago, of late there have been numerous cases submitted to the investigative authorities.

Relying on the tested rule that the nature of crime and its level are always consistent with social relations, let us see what the domestic "offspring" of this phenomenon looks like. This requires a small introduction. Generally speaking, there are four basic levels of crime, according to the specialists.

The first is the unorganized (individual or group) crime, characterized by one-time criminal actions. This is followed by group criminality, characterized by its hierarchical structure. It plans its activities and develops a system for protecting itself from law enforcement authorities. It includes a division of labor in carrying out individual assignments. The criminal group has limited capital, property, and members. It operates on a territorial basis and lacks any open desire for publicity.

Third is the criminal organization. This organization consists of several criminal groups, one of which specializes in self-defense. Precisely divided functions and conspiratorial rules exist among the individual groups, both external and internal. It is mandatory that the leader of the criminal organization remain anonymous, even to most leaders of individual groups. In this case, profits are quite high, and there also is an aspiration toward public manifestation and recognition. The possibility exists of "laundering" income, engaging in additional activities, and extending them beyond the territory of the state.

The last level—the highest—is the mafia, consisting of different criminal organizations. It is generally estimated that organized crime in our country today stands somewhere between the second and third levels of development. The subsequent steps are merely a question of time....

The simplest configuration of a criminal group resembles a complex branch based on a pyramidal structure. It employs dozens of people. To function normally and maintain security, on different levels feedback is interrupted to ensure the safety of the "boss." Usually the leading center is abroad, and the activities of the criminal organization in the country are headed by another undisputed leader. This leader maintains limited contacts only with smaller leaders, who are directly below him in the hierarchy and who are the wholesale merchants of the supplied commodities.

All criminal networks are microsocieties with a complete structure and management authorities. This is not the result of an accidental idea but is objectively demanded by the unwritten laws of organized crime. In turn, they obey the existing economic laws and, above all, those of the shadow economy, which absorbs all types of criminal activities that it uses as weapons in attaining its objectives. We know that wherever the official economy is unable to fulfill its main purpose, its functions are taken

over by the shadow economy, which fills the economic vacuum. In our country, this prerequisite is abundantly found.

We already mentioned that, depending on its location and territory of action, the organized crime group has a "representation" abroad, where the leading center and the network in the country exist in a state of profound secrecy. The high leader of the crime organization is, as a rule, a person with a higher level of education and does not engage in any other activities. In turn, that part of the group that acts on home territory is classified into secret, semisecret, and visible (obvious), depending on its specific functions. On the lowest part of the pyramid we find the numerous layers of retailers and middlemen, who are usually people with low educational levels to whom street trade is an additional source of income. In Sofia alone there are more than 5,000 black marketeers and profiteers—that is, the small fry.

Next are retail merchants and their own middlemen, who supply the sellers with goods. Here we see a trend toward professionalism in their branch. In the semivisible part of the organization, we find the wholesale merchants, who are in the middle of the pyramid and who are in direct contact with the main receiver and distributor of the commodity in the country. However, they are not in contact with the leader of the entire local criminal group, who remains within the concealed part of the pyramid, surrounded by numerous auxiliary units, contacts, informers, bodyguards, and so forth. This is the area of high-level professionalism, which frequently uses an official position as a screen for criminal activities or as a means of implementing them. The practice is to recruit state officials as a source of important information or to cover violations of the law. The "cadre" hierarchy includes women, as well, but never (at least in our country) in leadership positions. Women are used only as couriers, companions, and professional prostitutes, informers, merchants, and sellers.

The funds used by the criminal group for its operations range in the hundreds of thousands of leva and foreign exchange, and the profitability from the turnover of the goods, along the chain from the bottom to the top, is as follows: 5-20 percent; 30-40 percent; 150-200 percent; and some 400 percent for the "boss."

The main operational principles of organized crime are organization and secrecy, made necessary by the objective and subjective factors of clandestinity and concealment. The so-called hidden crime, which is difficult to prove, is determined on the "upper" level and demands a response from the police involving investigation and penetration of the criminal groups themselves. However, to this day the law enforcement authorities must deal with the consequences—that is, the obvious criminality and not the reasons that trigger and accompany crime. There also are no legal stipulations concerning the struggle against this phenomenon, and it is a fact that orders concerning undercover actions are still issued only verbally.

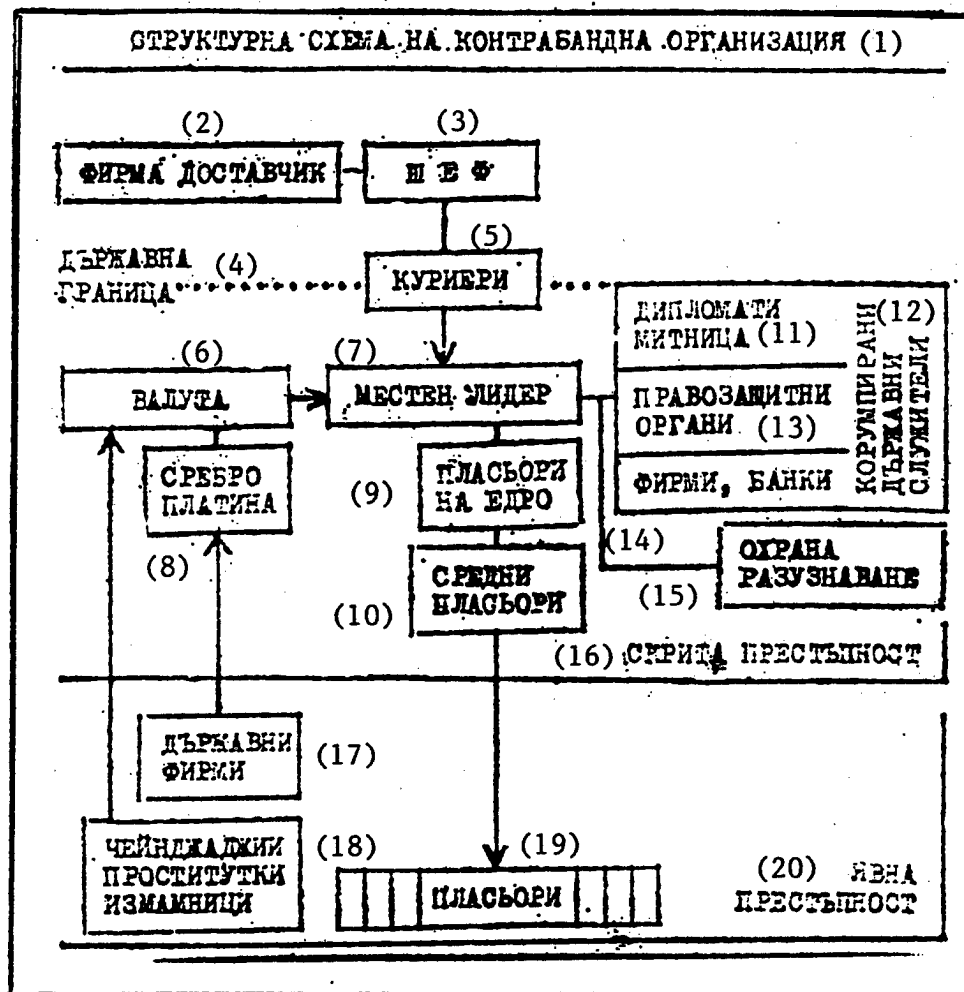
In many countries this is included in the law on the police, which regulates the ways and means of struggle. It is precisely the lack of authorization that frequently leads to forcing one's hand. Furthermore, the courts do not accept proof collected by the militia! In practice, the result is that the effects of operational activities, regardless of their obvious nature, do not lead to legal consequences because they lack the necessary procedural form. We are facing a paradox: on the one hand, the presumption of reducing to a minimum legal errors and abuses and, on the other, the hindering and frequent failure of the efforts to expose crime. In reality, more than 70 percent of exposures are the result of the operative actions of the militia authorities. However, when matters reach the court, the militiamen are not accepted as witnesses.

The imperfect interaction among the militia, the investigative organs, the prosecution, and the court is welcome to the criminals themselves. Their knowledge of the weak spots along the chain frequently reduces efforts to naught, making a vicious circle of everything.

Still very recent is the memory of control over the activities of the militia by the special services. This particularly applies to cases in which the accused included representatives of the upper echelons of the nomenklatura. Whenever an official "from a director upward" was involved, State Security took over (could this be the case to this day?) the investigation, on the pretext that the circumstances required a "more intelligent" level of operative investigation in order to more successfully counter the allegedly "more intelligent" category of criminals. All of this was done "in the name of higher state interests." The results of this were familiar: Most frequently the accused would be patted on the back, punished along the party line, and...transferred to another position. This occurred even in cases of particularly severe abuses. Thus, the "party fist" protected its cadres and concealed its internal party bad debts.

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[Text] According to statistics, of a total of 1,247 exposed economic crimes (in Sofia alone) that were tried in court in 1984, only 24 involved directors and managers. The figures for subsequent years are as follows: 1985, 1,191 (20); 1986, 1,450 (15); 1987, 1,401 (29); and 1988, 1,063 (21). A high percentage of the materials that did not reach the level of an investigation or a trial exposed many other management cadres, yet only a few of them were "sacrificed" for the sake of expediency.... Yet it is an open secret that, as a rule, it is precisely such cadres, whose positions contributed to the commission of the crimes, that are at the base of the larger economic crimes. According to the studies made by the Council on Criminal Studies and Criminology, said crimes are part of the hidden crime, whose actual number is several hundred percent higher than the one established. Taking also into consideration the fact that such actions take place usually under conditions of continuing criminal activity, their number should be augmented by yet



## Key:

1. Structural diagram of a smuggling organization
2. Procuring company
3. Chief
4. State border
5. Couriers
6. Foreign currency
7. Local leader
8. Silver and platinum
9. Wholesale merchants
10. Middle merchants

11. Diplomats and Customs
12. Corrupt state officials
13. Law enforcement authorities
14. Firms and banks
15. Security and intelligence
16. Hidden criminality
17. State firms
18. Money changers, prostitutes, and swindlers
19. Sellers
20. Open criminality

another 40 percent, involving crimes that will be exposed in the future. At this point, we should also add the average statistical 22 percent of cases that do not go to court for a variety of objective legal reasons, such as death, inability to present proof, procedural mistakes, and so forth. Therefore, the crimes of this kind that have actually been exposed represent merely the tip of the iceberg.

In our country, as elsewhere in the world, targets of organized crime involve drug trafficking, smuggling, gambling, prostitution, profiteering, contraband trade in foreign currency, thefts and robberies, extortion, and fraud. In this respect as well, we have reached "envious" indicators. According to INTERPOL, more than 60 percent of the drug trade reaching the markets of Italy and Austria passes through Bulgaria. Naturally, this is not without the cooperation of local criminal groups. Given the new international and domestic economic conditions, this participation will become even greater.

This most profitable business is governed by harsh laws. Whereas in the other areas of organized crime, should the rules of the game be violated, it is rare (so far) for accounts to be settled with murder, in the drug business it is the beginning because the greater the stake in terms of cash, the harder it becomes to stop the machinery—and the easiest way is to eliminate inconvenient people. It is precisely money that is the motor of all crime—organized crime, in particular—without which such activities simply break down. On the one hand, money serves to ensure the well-being of the members of the organization and to strengthen their reciprocal unity and cohesion. Even a special "social defense fund" is contemplated. If goods are confiscated or there are other unforeseen losses or breakdowns, or a member of the organization is sent to jail, either he or his family is supplied with funds from an account established for that purpose!

On the other hand, some of the profits are used to finance ever new illegal activities and other semilegal deals, including those in the area of the official economy. Third, cash finances the personal security of criminal groups and the ties to the state officials that they need.

The dependence of organized crime on the specific socioeconomic circumstances in the country and its economic and legal system, as well as the historically established traditions of relations among people, is obvious. In this sense, in our country it is still in its childhood. For the time being, in Bulgaria, "dirty" money is "laundered" exclusively in the area of the fastest profit—trade and services. No one is as yet investing money in production or in the various industrial sectors. This makes the harm done to society even more substantial because, in practice, this amounts to a redistribution of the national income among the people.

Currently, some 50 criminal groups throughout the country are kept under surveillance by the economic militia. In Sofia alone there are 10 or 11. Most of them

involve a mixture of Bulgarians and foreigners. There also are five strictly Polish organized groups that circumvent the laws by dealing with goods supposedly in transit, which, nonetheless, they are able to funnel into the black market. Let us also add an impressive group of Vietnamese citizens operating on different levels within criminal organizations. In turn, conventionally, they may be divided into two categories. The first is the so-called bankers, who smuggle foreign exchange and participate in the turnover of illegal income. On the basis of the commodity-money-commodity formula, they show a profit ranging between 20 and 60 stotinki to the dollar.

The second category is that of services personnel consisting of criminal groups. Some of them serve...their own embassy (!); others provide services to Bulgarian citizens and foreigners; a third group is in charge of providing services to the individual groups; a fourth is in charge of maintaining contacts with various government services.

Some criminal groups operate on the basis of the territorial principle—most frequently along heavily traveled highways and places where more foreigners converge. They specialize in trade in foreign exchange, fraud, and robbery.

In addition to such criminal groups, a large number of private companies engage in illegal business. Because a developed mechanism for accountability and financial control is lacking, conditions are created for the concealment of income. Many such companies have a very short life—the time needed to "launder" the profit—after which they close down.

To expose a criminal group or organization along the entire chain, excluding the "boss" abroad—because this is virtually impossible to achieve (at least for the time being)—the time needed ranges between four and five months, and two years of work by the militia operatives. One of the difficulties here is that the individual leaders do not directly engage in criminal activities and most frequently enjoy some kind of official cover by holding regular state jobs. Another reason is the morally obsolete set of laws that ties the hands of the militia. At the same time, whenever there is a breakdown in a criminal group, its leaders, and not only they alone, quickly leave the country, particularly now, with the new passport system. There has been an overall restructuring of the criminal world since 10 November 1989.

Here is another important reason. With the present sociopolitical situation in the country, which is one of high social stress, nearly 30 to 40 percent of the time allocated for operative work by the militia personnel is spent providing protection for various public or street projects. In the final account, given the present "inexpensive" law enforcement policy in our country, to which the Customs authorities and the Ministry of Finance also contribute, no particular results can be expected.



Not least is the influence of the moral-psychological factor. Seeing the growth of big swindlers endowed by the power of the state, smaller swindlers are given good incentives. Furthermore, because the state is unable to guarantee and protect the interests of the ordinary citizen, everyone begins to settle his own affairs in the general chaos, hiding behind a moral "curtain."

The picture would not be complete without the recent intensifying criminal activity of some of the remaining nomenklatura in our country—party, state, and economic. Such activity is assuming an increasingly organized nature because, in accordance with the principle of connected vessels, nomenklatura cadres are exceptionally cohesive among themselves. They are vitally interested in this fact at the present time of powerlessness and general economic dislocation and social uncertainty. On the one hand, this is their last chance to survive and postpone their own end, and, on the other, by virtue of the crucial positions they hold on all levels and in

different areas of life, the members of the nomenklatura can make the best possible use of the present situation. It is no secret that profiteering is their element today. Thus, in addition to speculative capital, the nomenklatural goods are already emerging on the level of organized crime.

It is clear that, with the currently existing socioeconomic and political situation in our society, a variety of forms of organized crime are coming to life and will continue to appear. The main question here is whether we shall create the real conditions for the militia authorities to fight such crime and to reduce it to tolerable dimensions. Looking at global practices, the alternative is not the total elimination of crime because this is impossible, but the establishment of a tolerable balance between organized crime and state power, a balance that will guarantee an acceptable level of social security and tranquility.